50th ANNIVERSARY

National Petroleum News

The Magazine of Oil MARKETING Management

FEBRUARY, 1959

50 ANNIVERSARY 1909 1959

OIL MARKETING in the SPACE AGE

An Exclusive Look Ahead

with articles by

DWIGHT T. COLLEY • JOHN H. HALL • GEORGE SULLIVAN
HARRY READ • PATRICK J. ROBINSON • L. S. MARSHMAN
HAROLD MARTIN • AND MANY OTHERS.....page 113

A QUICK HISTORY OF OIL MARKETING.....page 95

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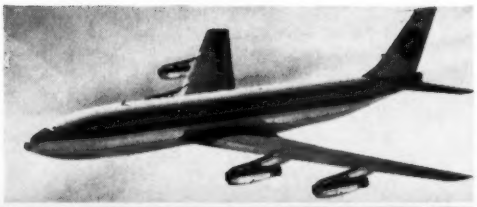

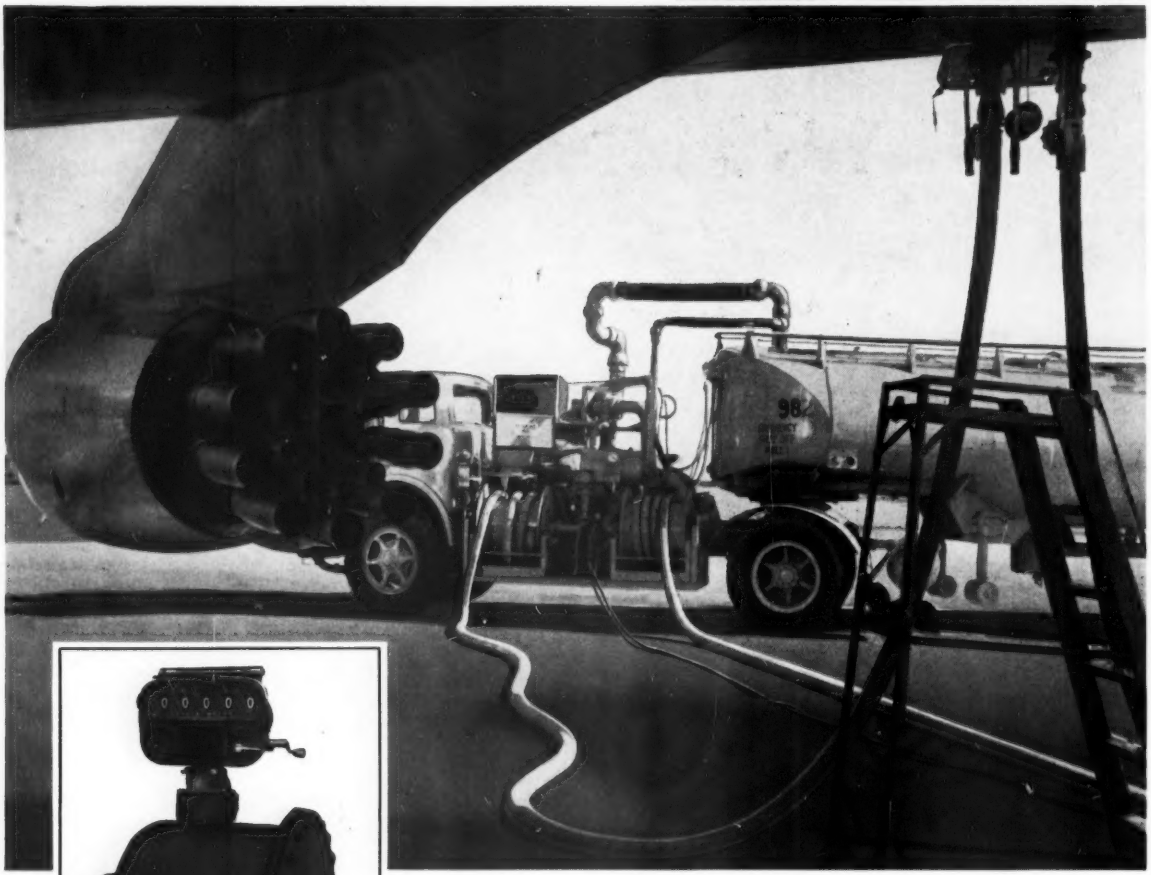

EVERYWHERE, *BRODIE* is linked with Progress. Here's another example from NEW YORK

The jet era came of age October 26, when Pan American's mighty Boeing 707 flew from New York to Paris on the first and fastest *daily* pure jet Atlantic schedule. At New York International Airport, 17,500 gallon *Jet Clipper* tanks are refueled through fast accurate B-80C *BiRotors*, built for speeds to 750 gpm. Here, all jet flights are serviced by Allied New York Services, Inc., long-time major user of Brodie equipment. Well ahead of this jet-age break-through, Brodie's B-80C was ready with capacity to handle fastest fueling rates used or planned. Whatever *your* metering needs, why not talk to the Brodie Metering Specialist – as near as your phone?

816

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Top of the Month . . .

THE SPACE AGE is the theme for this Fiftieth Anniversary issue of NPN —along with a generous sprinkling of what mght be called the Automotive Age (1909-1959). There's also an analysis of oil marketing as it is right now, in the transitional stage between two great Ages.

THE PAST is not only fascinating but instructive, and you'll find a rich sampling of it starting on page 95. NPN editors sifted through hundreds of pictures and thousands of words of factual data to bring you this "quick history of oil marketing." Most marketers will find some nostalgic memories in it, seasoned with some ironic pre-echoes of today's "new" wrinkles in marketing methods.

THE PRESENT is big and hard to evaluate. But again, NPN editors have evaluated a big dose of statistical information and come up with an easy-to-read sketch of the marketing segment, vintage 1959. You'll find it on page 111.

THE FUTURE is the really big subject of this issue. It's a little early to say when the first oil marketer will travel through space, but there *is* a sizable store of information available about the outlook for business in the Space Age. It's all gathered together in the section that begins on page 113.

THE TOP MEN in the industry are constantly looking into the future—that's their business. In this issue, more than a dozen experts share their insights with you. Atlantic's Dwight Colley looks at the future of the dealer. Shell's Jack Hall takes the jobber. Continental's George Sullivan takes the commission agent. Harry Read writes about the private brander's future. Six of the industry's foremost specialists forecast the future of principal oil products.

That's only part of the big NPN Fiftieth Anniversary package. Keep going and see for yourself.

NATIONAL PETROLEUM NEWS is published monthly, with an additional issue in Mid-May, by McGraw-Hill Publishing Company, Inc., James H. McGraw (1860-1948), founder. Publication office: Third and Hunting Park Ave., Philadelphia 40, Pa. See panel below for directions on subscriptions or change of address. EXECUTIVE, EDITORIAL, CIRCULATION AND ADVERTISING OFFICES: 330 W. 42nd St., New York 36. N. Y. Donald C. McGraw, President; Joseph A. Gerardi, Executive Vice President; L. Keith Goodrich, Vice President and Treasurer; John J. Cooke, Secretary. Officers of the Publications Division: Nelson L. Bond, President; Harry L. Waddell, Senior Vice President; Ralph B. Smith, Vice President and Editorial Director; Joseph H. Allen, Vice President and Director of Advertising Sales; A. R. Venezian, Vice President and Circulation Coordinator.

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U.S. subscription rate for individuals in the field of publication $5 a year, single copies $1 (except the Mid-May Factbook, $2); Canada $6 a year. All other countries $15 a year. Second-class postage paid at Philadelphia, Pa. Printed in U.S.A. Title registered in U.S. Patent Office.

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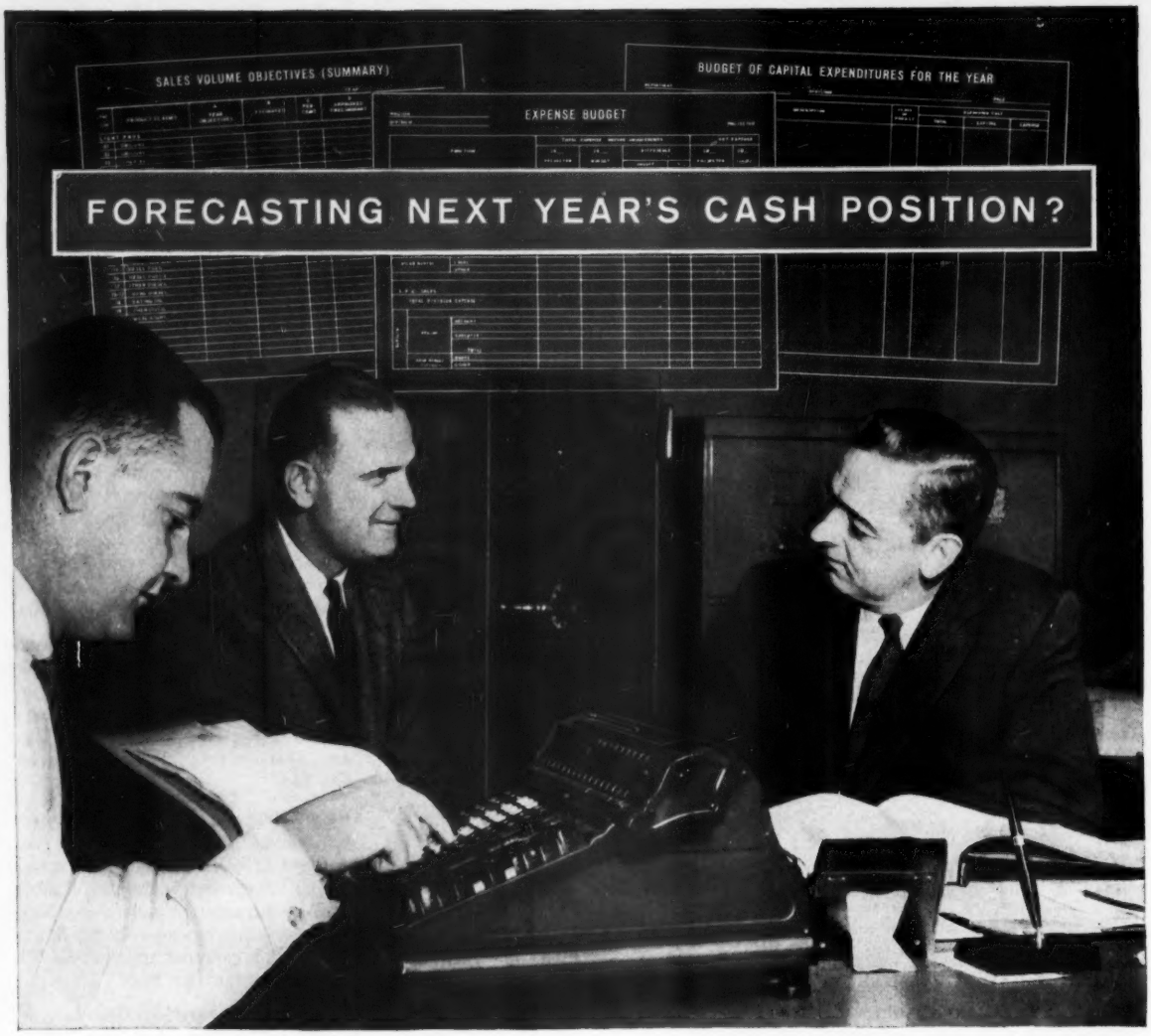
SUBSCRIPTIONS: Send subscription correspondence and change of address to Fulfillment Manager, NATIONAL PETROLEUM NEWS, 330 W. 42nd St., New York 36, N.Y. Subscribers should notify Fulfillment Manager promptly of any change of address, giving old as well as new address, and including postal zone number, if any. If possible, enclose an address label from a recent issue of the magazine. Please allow one month for change to become effective.

Postmaster: Send form 3579 to NATIONAL PETROLEUM NEWS, *330 W. 42nd St., New York 36, N.Y.*


SALES VOLUME OBJECTIVES (SUMMARY)
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FORECASTING NEXT YEAR'S CASH POSITION?

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FEBRUARY 1959
Volume 51, No. 2
Established in 1909

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PETROLEUM WEEK
PLATT'S OILGRAM NEWS SERVICE
PLATT'S OILGRAM PRICE SERVICE

Behind Our Headlines

Golden Milestone

NPN IS 50 YEARS OLD this month, and we're celebrating with this special issue. Save it if you're really interested in oil marketing, for there is much material of lasting value, particularly in the sections about the past and the future.

In the section covering the future, we offer a look ahead through the eyes of some of the most authoritative men in the industry.

The section about the past is a brief history of modern oil marketing, the first of its kind. We think it will be useful both to newcomers and to those who haven't had time to dig into the background. This doesn't pretend to be a detailed, scholarly study. We set out to cover the subject succinctly and to make it easy reading. All our staffers turned in a big quantity of raw material, from which Mark Emond wrote Painless History, as it has been called around the office.

At 50, NPN has the oldest name in petroleum journalism, as the only existing petroleum publication that has used the same name 50 years. For more about NPN's history, see page 90.

NPN's New Publisher

ERVIN E. DEGRAFF has taken over as publisher of NPN and McGraw-Hill's other petroleum publications. He succeeds Harry Waddell, recently appointed senior vice president in charge of a group of McGraw-Hill magazines, including the petroleum publications.

De Graff

Although new to oil marketing, Mr. DeGraff has been connected with petroleum publishing since 1954, when he was named sales manager of *Petroleum Week*. A long-time McGraw-Hill man, Mr. DeGraff joined the firm in 1941 as a *Business Week* salesman. From 1950 to 1954 he was assistant director of advertising.

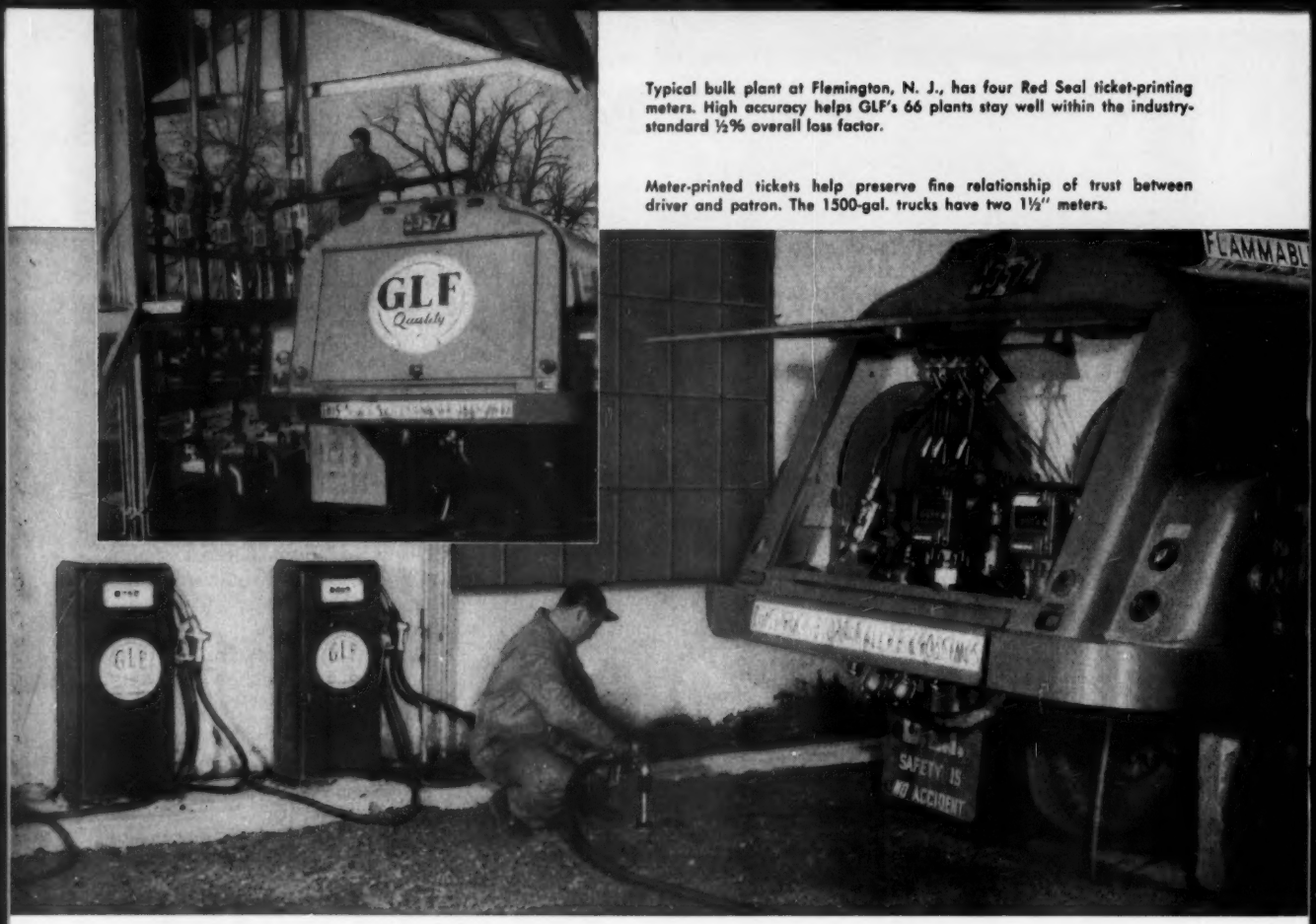
Mr. DeGraff, 49, planned to become a fiction writer upon graduation from New York University in 1935, during the Great Depression. However, his first job led him into advertising sales, and he made that his career.

Mr. DeGraff is NPN's third publisher. The first was Warren C. Platt, founder and editor until 1954.

George Reid Dies

NPN LOST ANOTHER VETERAN during the Christmas holidays. George W. H. Reid, Southwest research manager, died on Christmas eve of injuries received in a fall eight days before in his home. He had been with NPN for the last 11 years, after many years of association with the oil industry.

Frank Breese, *Editor*

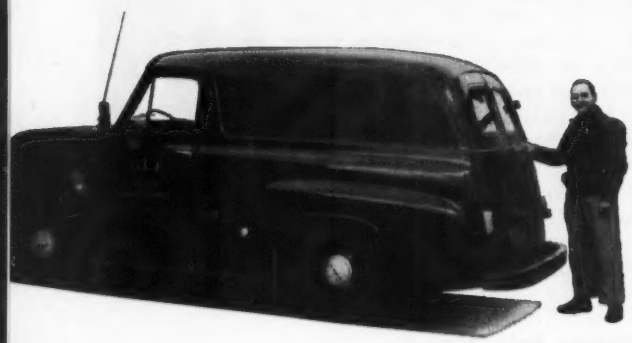


Typical bulk plant at Flemington, N. J., has four Red Seal ticket-printing meters. High accuracy helps GLF's 66 plants stay well within the industry-standard ½% overall loss factor.

Meter-printed tickets help preserve fine relationship of trust between driver and patron. The 1500-gal. trucks have two 1½" meters.

GLF's 120,000,000 Gallons a Year

Metered TWICE through 600 Red Seals



Three service trucks, manned by skilled meter specialists, carry spare parts for all of GLF's 600 Red Seals. The parts inventory is amazingly small and easy to manage. Each truck carries a 50-gal. test can. The company also has a trailer-mounted 500-gal. prover.

For 225 tank trucks and 66 bulk plants serving 70,000 farm patrons in New York, New Jersey and Pennsylvania, the Petroleum Div. of Cooperative G.L.F. Exchange, Inc., has standardized on Neptune Red Seal Meters.

What were the deciding factors? GLF officials studied their own meter records. They asked their servicemen . . . the men who test and repair the meters. Everywhere was evidence that Red Seal meters stay accurate with the least fuss and bother . . . and the lowest overall expense.

Founded in 1920, GLF entered the petroleum business in 1936. All products are filtered twice and metered three times . . . at terminals, bulk plants and trucks. Meter-printed tickets keep track of every gallon.

This is just one more case history of the savings you too can make with Red Seal's sustained accuracy and low maintenance. Ask the Neptune jobber in your area for details.

NEPTUNE METER COMPANY
19 WEST 50TH STREET • NEW YORK 20, N. Y.

neptune

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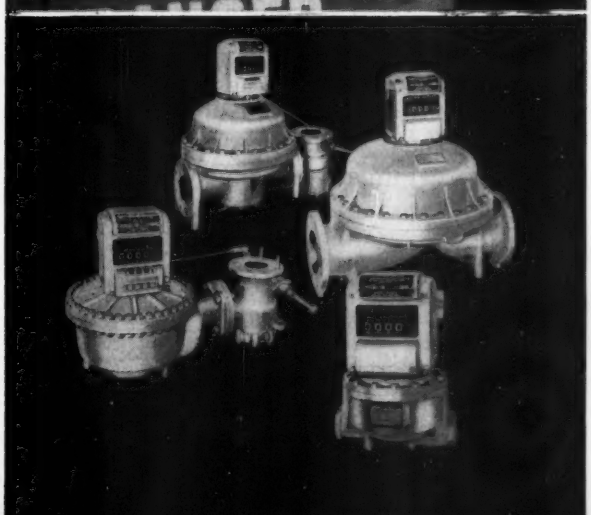
LOS ANGELES • LOUISVILLE • PORTLAND, ORE. • SAN FRANCISCO (Millbrae)
In Canada: Neptune Meters Ltd. • 1430 Lakeshore Rd. • Toronto 14, Ont.

Low maintenance costs and good local service are the two big reasons Independent Gasoline & Oil Co., Rochester, N. Y., standardizes on Red Seal meters for all new purchases. Independent bought their first Red Seal 8 years ago, now have them on 22 tank trucks.

11 meters at Esso Standard Oil Company's Waltham, Mass. terminal are Red Seal Remote Control units, speeding loading of several trucks simultaneously. Busy meter often handles 150,000 gallons per day.

How others get a better measure of profit... with Neptune Meters

Nine Red Seal meters in Mt. Vernon Bulk Plant of Cities Service showed so little wear after 17 years it was decided to keep them on the job... converted to Print-O-Meters. Here's solid proof that you can rely on your Red Seals to hold steady as a rock between tests.



10 years' personal experience with Red Seal meters . . . logging an excellent record for accuracy with little trouble . . . is cited as the reason Ferguson Oil Company has standardized 100% on Red Seal Print-O-Meters for tank trucks and bulk plant both.

"Big Four" for bulk plants and terminals are these 2", 3", 4" and 6" Red Seals . . . sized to give you the utmost in sustained accuracy and economy for any rate of flow, 20 to 1000 gpm.

RS 36

More light power with lower costs

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For years NPI has served the varied needs of both the largest and smallest petroleum products marketers. Consistently, the demand for top quality signs with years of trouble-free use built into them has been met. In addition, the capacity to deliver on schedule, without fail has established NPI as the most reliable supplier of illuminated filling station signs.

The services of a Signvertising® Engineer to help you modernize your entire sign program are available with no obligation. Just use the coupon at the left.

WRITE TODAY — Use this coupon to get the services of a Signvertising® Engineer. No obligation.

Letters

A Poem Salutes NPN's 50th

A reader with a poetic bent is inspired by NPN's Christmas poem to reply with a birthday rhyme

TO THE EDITOR:

We enjoyed your Christmas poem in the December issue. In fact, after we read it, we put our heads to work for a contribution to your 50th anniversary issue.

Hope all of you at NPN enjoy it. Credit goes to Mrs. Elaine Reese, a secretary in the New Orleans regional office, American Oil Co.

A brand new year has rolled around
With hopes and wishes high
That this new year will far surpass
The ones that have gone by.

But this year also brings with it
A half of century mark
To NATIONAL PETROLEUM NEWS;

So let's remove the cork
And make a toast to NPN
To say we wish them well.
They cannot help but do so
With publisher Harry Waddell.*

They passed a wonderful fifty,
The rest they'll do with ease.
It's bound to be a natural
With an editor like Frank Breese.

When managing editor Bethell
Wields such a mighty pen
And news comes out from Sturtevant
And "Brody" Brodersen.

When Schroeder, Wells and Caperell
Make contributions too,
And Halsey Peckworth goes all out
To bring the best to you,

And Guthrie's there to handle
The supply and the demand,
Anita Walter's on the scene
And so is William Bland,

Then NATIONAL PETROLEUM NEWS
It easily can be seen,
Is bound to keep remaining a
Top-ranking magazine.

We lift our glasses to you all
With wishes most sincere
For a great new half a century
And a wonderful New Year!

HARRY READ
Executive Secretary
Society of Independent Gasoline Marketers of America
New Orleans

*We have a new publisher now (see page 5).

For Mr. Read's own contribution to this issue, see page 130.

How to Outsell Gas

► I have read "Nine Ways to Outsell Your Gas Heat Competitors" (Dec. '58, p96) and would like to make the following comments on the nine points.

1. Beware of Gas-Heat Guarantees —In most areas, the utilities will not make guaranteed cost estimates, but will make theoretical estimates and label them as such.

In many areas, the less said about comparative costs the better, because fuel for fuel gas costs are much lower. Cost must be played down in these areas.

2. Unmask Gas' Hidden First Costs —The second point (add the cost of recommended installation and controls in with equipment costs) does not hold in areas where gas is lower in cost than oil. However, in these areas the point is important in comparing electric heat costs.

The third point (insulation and controls can cut fuel bills, too) is a good selling point to hold oil accounts anywhere. The cost of insulation, even in areas where gas costs are low, will be less than the cost of insulation and gas equipment.

3. Oil Costs Less to Operate—This point (cost of keeping gas pilots burning all year) cannot be used in areas where gas is low in cost.

4. Use Switchover Testimonials— They would backfire if used in areas

EVER-TITE Standard Adapter and Coupler

Your best buy is

EVER-TITE -the best quality QUICK COUPLINGS

EVER-TITE Adapter and Coupler

EVER-TITE Shank Hose Coupling

You save *time* and *money* when you use Ever-Tite Couplings because they speed-up deliveries, prevent leakage, and save wear on equipment.

Tightness is predetermined in manufacture by positive gasket compression. There are no sliding rings—no springs, ball bearings, snaps or lugs to fit. You just slip the coupler over the adapter, and close the handles.

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Dust Plug

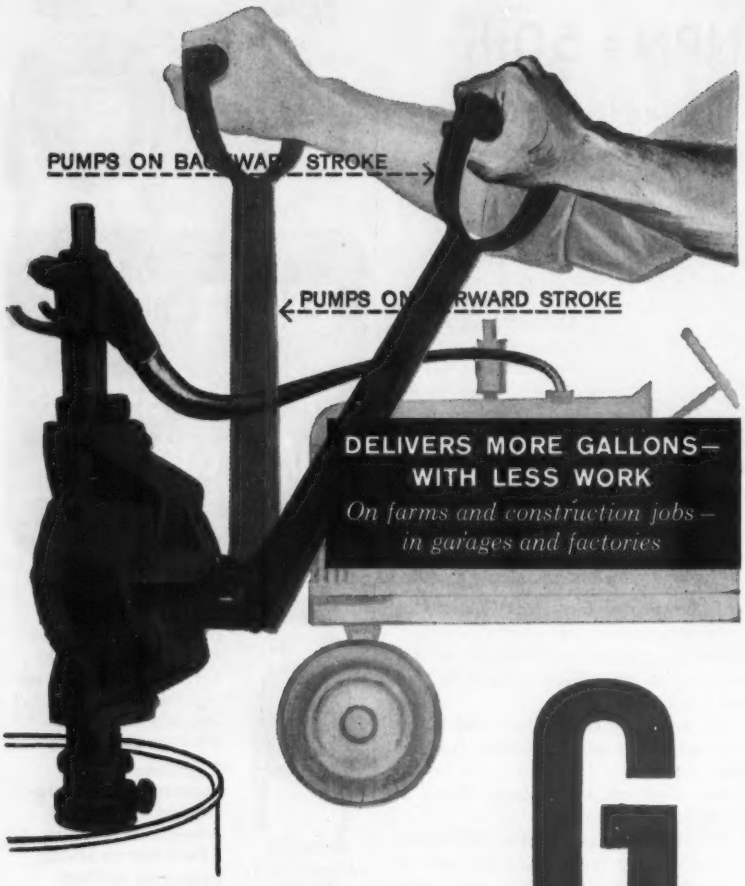
Dust Cap

EVER-TITE Dust Protectors

Every EVER-TITE saves time and money

COMING IN MARCH

- What marketers should know about refining
- How the divorcement/depletion fights shape up
- What the cold, cold winter did for fuel oil


PUMPS ON BA WA STROKE
PUMPS ON RWARD STROKE
DELIVERS MORE GALLONS—
WITH LESS WORK
On farms and construction jobs—
in garages and factories

BENNETT BIG G TRANSFER PUMP

Sturdy all-metal construction withstands roughest treatment. High vacuum self-priming Big G delivers a constant flow of 20 gallons a minute—with up to a 20-foot lift.

Big G pumps . . .

- KEROSENE
- FUEL OILS
- MOTOR OILS
- GASOLINE
- LUBRICATING OILS
- OTHER FLUIDS FROM SKID TANKS AND DRUMS

Bronze automotive-type pistons with rings assure dependable service under severe conditions. Vacuum breaker prevents siphonage and provides complete hose drainage. No foot valve. Wide variety of models.

Patent 2,843,031

JOHN WOOD COMPANY

BENNETT PUMP DIVISION • MUSKEGON, MICHIGAN

IN CANADA: JOHN WOOD COMPANY LIMITED

Toronto • Montreal • Winnipeg • Vancouver

Letters

where low-cost gas is available. Gas competition could come up with many more. In these areas it would be well not to use this point publicly, but it could be used judiciously at point of sale.

5. Show Oil's Safer Than Gas—good point if used judiciously at point of sale and not tied in with explosion, as it has been in oil sales promotion in some areas. It might also be well to bring out the toxic effect of gas.

6. Oil's a Superior Heat Package—As more and more oil dealers become over-all service units, undivided responsibility can be publicized effectively.

7. Gas More Efficient? Nonsense—It is nonsense providing the oil servicing organizations keep the burners operating at high efficiency. Oil not burned efficiently is much more noticeable than gas burned inefficiently.

8. Oil Tank a Private Well—One of our best talking points and should be stressed.

9. Who Says Gas is Cleaner?—True, oil and gas are both clean, but my remarks on point 7 have a direct relation to this. When we sell oil's cleanliness, we must deliver clean automatic oil heat.

In conclusion, I would like to say the article is very well done, but I believe it should bring out the fact that all nine selling points could not be used in *all* areas. An analytical study of each area should be made before using suggested points.

J. A. COLLINS
Manager, Oil Burner Division
Frontier Oil Refining Co.
Buffalo, N. Y.

Phillips' Canopy Policy

► In reading the November issue of NPN, I note you state in your special report on station canopies, page 103, that Phillips is not sold on the use of canopies. The enclosed picture depicts one of more than 250 Phillips stations with canopies in Florida.

E. A. SMITHSON
Senior Assistant Division Manager
Phillips Petroleum Co.
Tampa, Fla.

Phillips reports its general, countrywide policy is one of non-canopy stations, except for its southern and southwestern regions, where hot weather warrants them.

► At present, we are continuing to use the double-length canopy on our larger stations such as you have pictured in previous articles. We are, however, doing some experimental

drawing with the use of free-standing canopies and larger covered areas ....

I would say our company will certainly continue the use of canopies on our larger service station and will probably lean more to the use of free-standing canopies on the highway or multipump type outlets.

D. R. ZACHRY, JR.
Retail Sales Manager
American Petrofina Co. of Texas
Dallas, Tex.

Highway and Toll Road Mix

► I am particularly interested in the [question of] reimbursing states for toll roads and free roads that are incorporated into the interstate system ("Highways—Full Speed Ahead", NPN—Jan., p72).

If and when the federal government incorporates the toll roads into the interstate system, what will happen to the service palaces now in existence that are not allowed by present law to be on the interstate system? I am sure you do not have the answer to this, but it certainly poses a problem to jobbers such as ourselves who operate in a state (Wisconsin) that will be interstate but joins a state (Illinois) that at present has a new toll road featuring service stations and restaurants costing $2.5-million per unit.

Do we dare plan facilities on access roads or will the motorist drive a few miles further and be serviced on the road itself?

JAMES F. FITZGERALD
F-W Oil Co.
Janesville, Wis.

On toll roads already incorporated into the interstate system, there's no change in service facilities. If the government reimburses the states, the tolls will go but the physical location of service facilities won't change, the Bureau of Public Roads reports. The exact status will be spelled out when, and if, Congress votes to reimburse the states.

Mr. Fitzgerald is a member of NOJC's Highway and Toll Roads Subcommittee.

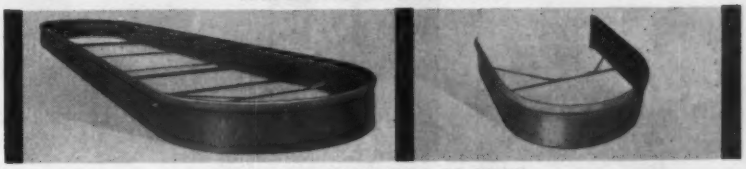
►We hope that very soon some positive suggestions will be made by the oil industry as well as other interested industries, concerning a solution to this problem [of best serving the public's needs through free enterprise] which will be acceptable to all of us.

D. WORTH JOYNER
Joyner Oil Co.
Rocky Mount, N. C.

Mr. Joyner is chairman of NOJC's highway and toll roads subcommittee.

HAVE TOMORROW'S STATION TODAY WITH

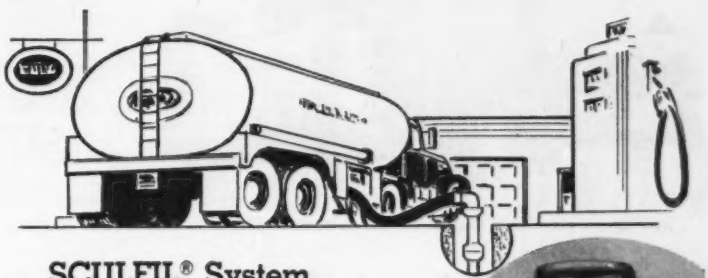
"GASILE"
STEEL FORMS
(T.M. REG. & PAT. NO. 2,767,626)



WRITE FOR INFORMATION OR PRICES
W. B. GOODE COMPANY, INC.
PHONE ELGIN 9-4470 • 2915 WEST LEIGH STREET • RICHMOND 21, VIRGINIA

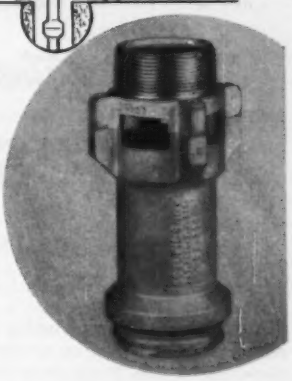
New SCULFIL® System

- gives a **TIGHT** connection
- **SPEEDS** gasoline deliveries
- **STANDARDIZES** all openings



SCULFIL® System

1. Delivers as high as 190 g.p.m. through a meter on gravity drops.
2. Connects fast, tight, and clean in an instant because of special threads. A single connector is used for all drops.
3. Adaptor stays in place permanently, requires no maintenance. SCULFIL can be used with *existing* fill boxes, both well-type and flush.
4. Is proved in actual use by a major oil company.

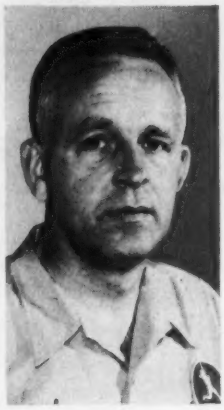


ALSO NOTE: *The simplicity of SCULFIL System reduces driver training time and saves time on every drop.*

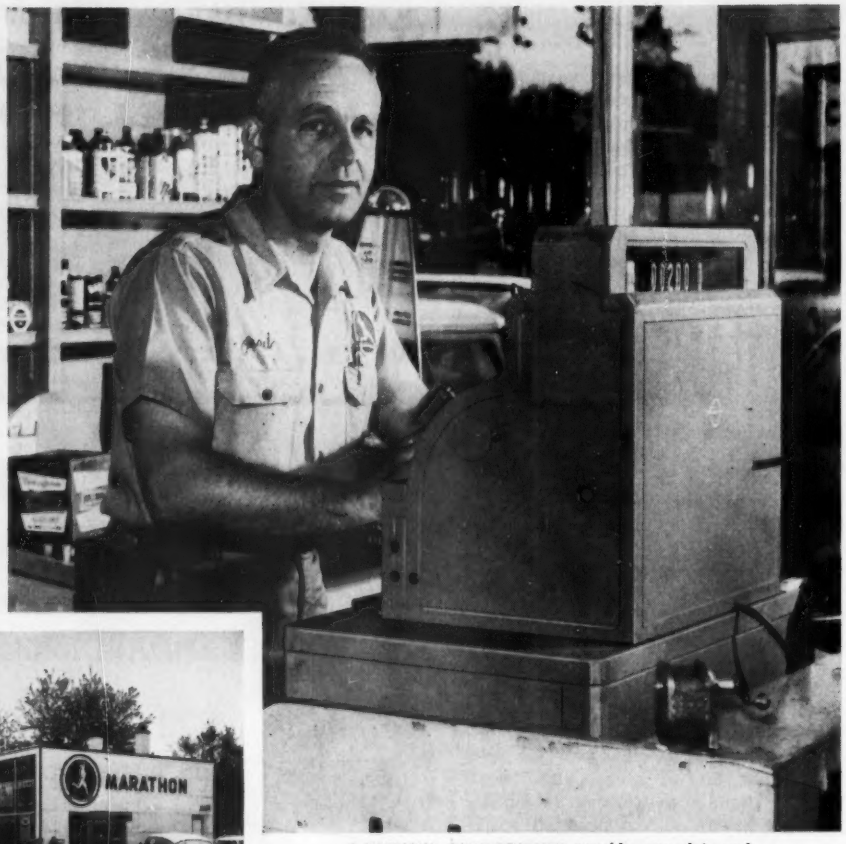
Write for a copy of the SCULFIL catalog.

SCULLY SIGNAL COMPANY
174 GREEN STREET • MELROSE 76, MASSACHUSETTS

Also manufacturers of the UNIFIL® System for fuel oil delivery.
In Canada: E. S. Gallagher Sales, Ltd. — 10 Hafis Rd., Toronto, Ontario



P. BARTLETT, owner of Bartlett's Marathon Service Station.



A NATIONAL CASH REGISTER provides complete cash and inventory control for this service station.

BARTLETT'S MARATHON Service Station in Terre Haute, Ind.

"Our *National* Charge-Posting System saves us $2,200 a year... pays for itself every 14 months!" —Bartlett's Marathon Service Station, *Terre Haute, Ind.*

"Our National Charge-Posting System eliminates hand posting to customers' accounts," writes P. Bartlett, owner of Bartlett's Marathon Service Station. "Because each customer's account is posted at the time of the transaction, we are assured of a proper record. Since all record keeping is now done mechanically, our operating expenses have been greatly reduced.

"Our National also provides us with a printed daily statement of business. This information is always immediately available and allows us to make important business decisions with the knowledge that they are based on fact.

"Through greatly increased record-keeping efficiency, our National System saves us more than $2,200 a year, pays for itself every 14 months!"

Paul Bartlett
owner of Bartlett's Marathon Service Station

Your service station, too, can benefit from the time- and money-saving features of a National System. Nationals pay for themselves quickly through savings, then continue to return a regular yearly profit. National's world-wide service organization will protect this profit. Ask us about the National Maintenance Plan. (See the yellow pages of your phone book.)

THE NATIONAL CASH REGISTER COMPANY, Dayton 9, Ohio
1039 OFFICES IN 121 COUNTRIES • 75 YEARS OF HELPING BUSINESS SAVE MONEY

*TRADE MARK REG. U. S. PAT. OFF.
National*
CASH REGISTERS • ADDING MACHINES
ACCOUNTING MACHINES
NCR PAPER (NO CARBON REQUIRED)

Money-Making Ideas

Publicity for station openings . . . Handling complaints . . . Old-time money-making ideas

GOOD PUBLICITY can stretch your station opening dollars further. Advertising and publicity should work together to get the greatest impact. Here are a few simple rules to follow in your next opening:

(1) Hire an expert. You're an oil marketer, not a public relations man. Your ad agency may be equipped to handle publicity; if not, it can suggest someone who is.

(2) Don't begin advertising until advance publicity has had a chance to work. Editors scorn copy and pictures that have already appeared in ads.

(3) Make sure news about the new station flows smoothly. Don't expect harried local editors to file a big batch of material for future publication.

$

CUSTOMER COMPLAINTS can make or break your business. They can be turned into new sales or lost sales. It depends on how you handle them. If your outfit is too small to delegate one man to the complaint desk, the head of the company should do the job. And remember, a complaint about one of your dealers, or about your supplier's product, is directed at you.

$

BANK CHECKS offer extra advertising mileage, says British American Oil Co., Ltd. The Canadian company is making available to dealers checks imprinted with the B-A trademark and the name of the service station. B-A figures at least seven different people see each check before it's filed.

$

A SCALE-MODEL FARM is being used by Standard of California to train salesmen selling to farmers. The model is included in a kit with samples of 28 Standard products used by farmers. The kit is broken out at regional sales conferences, to help stimulate thinking about new sales approaches. Standard says the scale-model idea is also adaptable to industrial sales.

In the Old Days . . .

YESTERDAY'S OIL MEN had good ideas, too. Some are still valuable. Others sound a little strange today. Here are a few items gleaned from the pages of NPN of 30 years ago.

$

USED CRANKCASE OIL today is laid down on dirt road beds, or refined for sale as reprocessed motor oil.

But in 1924, it was fairly common practice in some areas to use old crankcase oil as a fuel in homes and factories. Heating oil men now may shudder at the thought, but in those days, many used it to heat their offices.

Another novel use was for greasing pigs to prevent lice.

When used as fuel, the oil wasn't sold straight from the pit. Some companies put it through centrifugal separators; others filtered it through a woolen blanket.

$

SATURDAY AFTERNOON is a good time for a game of golf, or puttering around the house.

But it wasn't always that way. Back in 1924, the Transcontinental Oil Co. of Pittsburgh published a booklet for car owners titled "Saturday Afternoon." It told the car owner what he'd have to do every weekend, or every other weekend, to keep his car in shape. The little book listed in simple language the parts he had to oil or grease by hand.

$

RECRUITING DEALERS is a constant problem for most marketers.

Pure Oil Co. tapped a rich vein in 1922 when it needed good men for its new stations in the New York area. The company asked local churches to recommend dealer candidates.

Pure says it got 40 high-class men in the first wave of recommendations.

NEW!

You asked for it . . .

A CHECK VALVE ESPECIALLY DESIGNED FOR USE WITH POPULAR DRESSER FITTINGS

fits directly into pump casing!

New design saves space... easier to install... Saves money...eliminates nipples

For use in line coming from storage tank, the 205-D Full Flow Pump Check Valve eliminates loss of prime. Used on new installations it eliminates the need of underground foot valves or angle check valves. Installation is made above ground, at base of pump. Readily accessible for inspection and cleaning. On those installations where two or more dispensers are connected to the same line, drainage from the idle pumps is prevented while one is in use. When underground suction line valves leak, this valve is used to maintain prime in suction line.

UNIVERSAL VALVE CO.

Progress through better design

P. O. BOX 444-N • ELIZABETH, NEW JERSEY

The product's changed . . . but the name's the same

1925—First Rotary Auto Lift This original Roll-On Lift, the world's first hydraulic auto lift, set the pattern for Rotary dependability, remaining in service for more than two decades. The many thousands of auto lifts produced by Rotary since 1925 have proved their worth the world over in all climates and service conditions.

Rotary

The original manufacturer of hydraulic auto lifts . . . and still the leader

A few of Rotary's many contributions to auto lift dependability, economy and efficiency

- **Automatic air bleeder**
- **Anti-friction bearings**
- **Improved axle supports**
- **Hydra-seal (one piece molded seal)**
- **Superior air valve and muffler**

ROTARY AUTO LIFTS

ROTARY LIFT COMPANY
Division of Dover Corporation
Memphis, Tenn.—Chatham, Ontario

What Will It Be Like in 1984?

We'll have a world of tinted highways and automated living

HERE'S A GLIMPSE of American life in 1984, assuming we haven't become fallout matter by that time. The picture is constructed from predictions by McGraw-Hill editors, research directors and executives. Nothing is guaranteed, but nothing is included that does not have some scientific probability.

(The year 1984—celebrated in George Orwell's epochal novel of the same name—has another claim to fame. It will be NPN's 75th Anniversary.)

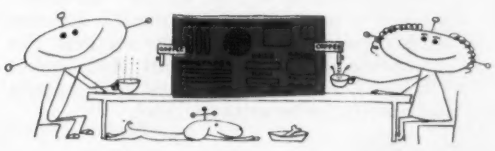
Morning Becomes Electronic—You wake up in the home of tomorrow and find it a far, far cry from the immobile and fairly permanent abode of 1958. Probably you own a manufactured house of collapsible panels, so that you can change its shape to suit your whims, move it easily to another part of the country, maybe trade it in at a "used home" lot.

Among other features, it boasts plastic plumbing, an ultrasonic dishwasher and spray-on rugs.

Light bulbs are a relic of the past. Lighting comes from colored electroluminescent panels occupying most of the ceiling and side walls of the room.

Your home, of course, is completely air-conditioned, and the same system cools the house in summer and heats it in winter. Your windows are closed, and you don't want to open them. The air indoors is mountain fresh, electrostatically stripped of every particle of dust. If you do insist on opening a window, you push a button.

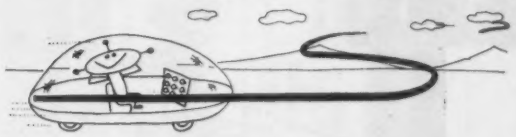
A small box—about a foot square—in your front hall is the electronic control center of the house. It turns on the panel lighting when you enter the room, maintains a comfortable temperature in every room and figures out your monthly bills. It turns on the heat conductors under your driveway whenever it snows, waters the lawn and changes the swimming pool water.



If it's a working day—and there are by this time only four a week—you start for the office. Your car of the future is a gas-turbine, electronically gadgeted, plastic-bubble model. It's transparent above the belt-line, with charged particles in the plastic to cut out excess light.

It has finned flaps, but they have a purpose—to aid in braking. The exterior is corrosion-proof, even against salt air, and parts are made of "greasy metals" that lubricate themselves.

You drive with a dial—not a wheel—and you don't have to worry about night driving. You just turn the car over to an electronic driver, and it electromagnetically straddles a cable buried in the middle of the traffic lane.

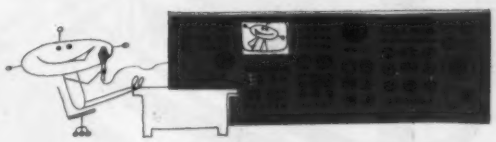


If you want to drive manually, you don't need a road map, for all the main routes can be identified from the tinted surfaces of the superhighways.

Traffic is radar-controlled, and your own radar set distinguishes between signposts and other cars and mirages.

Your Office: No Secretary?—It's 1984, so science has eliminated the secretary, at least as we know her in 1958—an achievement that certainly ranks with space travel and nuclear energy. Miss Smith no longer types, takes dictation or keeps your appointments straight. But she preserves her indispensiability by knowing what buttons to push.

Typewritten letters are obsolete. You dictate words directly onto tape, and scientists are by this time getting the bugs out of machine that translate into foreign languages.



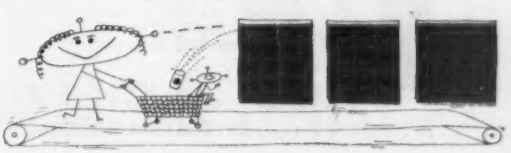
You no longer dial telephone numbers, but speak them into a gadget named Audrey which the Bell Laboratories have perfected. You see the person you're talking with—unless he's turned off his TV panel.

Swift Wings of Commerce—Walking downtown, you see that grass is growing on Main Street. The major downtown shopping areas have been transformed into pedestrian parks, with vehicular traffic running underground. Noise-breaking circuits keep it quiet.

Some shopping areas are enclosed in transparent plastic and are air-conditioned. Shoppers enter and exit through electrically-driven air screens. And they are transported by moving sidewalks to nearby parking garages where their purchases are waiting for them.

You use little cash and issue very few checks. You do carry a small card inscribed magnetically in code. The store's cash register or automatic dispenser accepts your card, instantly transmits the full transaction data to the bank, charges your account—which is stored in a magnetic memory—and credits the vendor.

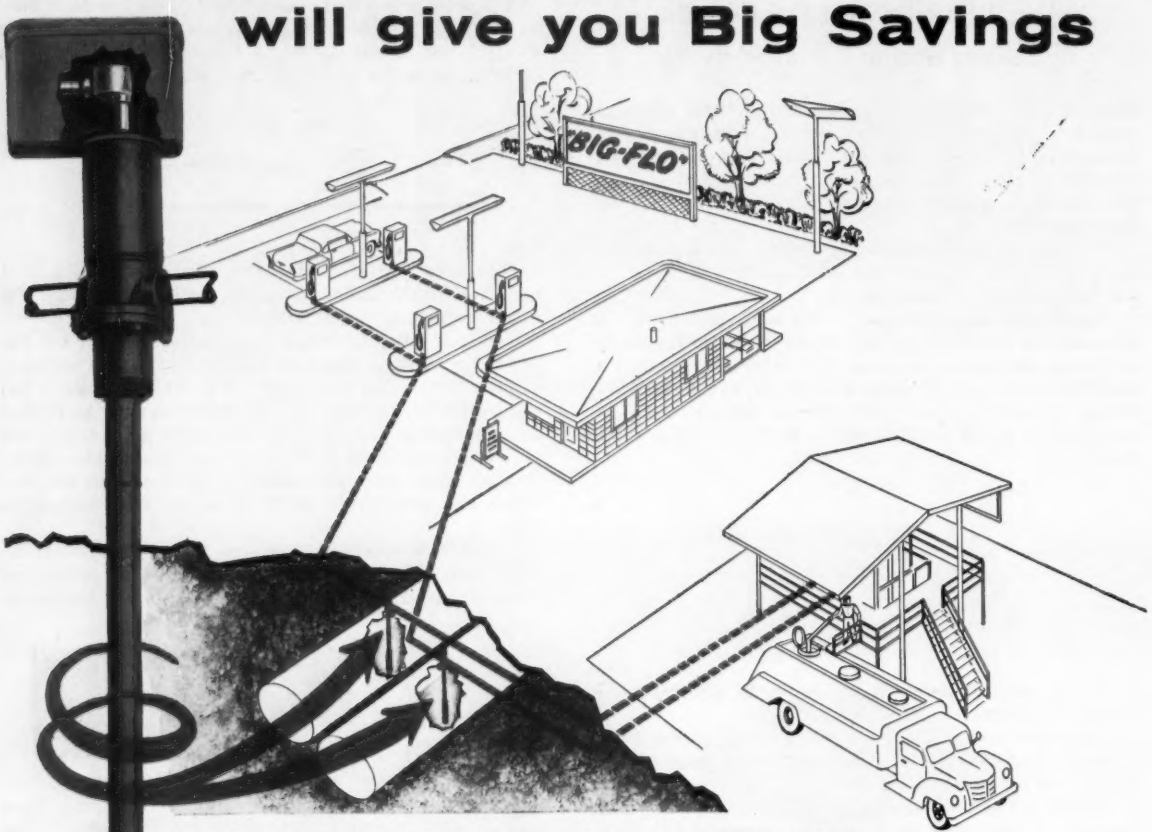
An automatic printer reads out your account in detail once a month and sends you a full tabulation. You don't have to worry about overdrawing; the computer can analyze your credit history and issue a loan. ■



Planning Combination Bulk Plant-Service Stations?

Red Jacket "BIG-FLO" SUBMERSIBLE PETROLEUM PUMPS

will give you Big Savings



Five Models with Capacities to 260 GPM . . .

When you combine the economies and operating advantages of underground bulk storage with the low installation and maintenance costs of Red Jacket "BIG-FLO" Submersible Petroleum Pumps, you can count on big overall savings. Five models of these efficient pumps are engineered for bulk petroleum handling. Available in sizes from one to five horsepower with capacities to 260 gallons per minute, total heads to 110 feet—*and all models are listed by Underwriters' Laboratories, Inc.*

Red Jacket "BIG-FLO" Submersible Petroleum Pumps cut installation costs since they eliminate such equipment as foot or check valves, suction piping and fittings to bottom of tank, gate valve on pump discharge, and concrete base for pump and motor. They save maintenance costs since they are lubricated by the petroleum product pumped, and direct drive eliminates wear on drive connection parts. These advantages, together with out-of-the-way and out-of-the-weather location, lack of vibration and vapor lock, make them virtually trouble-free.

These pumps include the advanced engineering features of Red Jacket "Extracta" pumps which pioneered extractible submersible remote pumps for service stations. For complete information about Red Jacket "BIG-FLO" Pumps, contact your nearest representative or write us direct.

UL ®

PE219

• • • • • • • • Contact your nearest RED JACKET REPRESENTATIVE for complete information • • • • • • • •

obert Cox, 12133 Coyle Ave., Detroit 27, Michigan • R. M. "Mac" Crowder, 5719 W. Hanover St., Dallas, Texas
Henry D. Fairlie, 76 Beaver St., New York 5, New York • R. L. Faubion, Sr., 2525 S. W. Blvd., Kansas City, Missouri
Joe R. Mooney, 3162 Chartres St., New Orleans 17, La. • E. P. "Ted" Mueller, 784 Jersey St., Denver 20, Colorado
R. E. Sanderson, 222 11th St., San Francisco 3, Calif. • A. R. Sedgebeer, 2711 So. Hill St., Los Angeles, Calif.
A. L. Sobey, 624 South Michigan Avenue, Chicago 5, Illinois • Lee Vaughn, 3111 N. 34th Place, Phoenix, Arizona
C. E. "Red" Weaver, 4223 Cincinnati-Brookville Road, Hamilton, Ohio • John F. Young, 6800 Kelly St., Pittsburgh 8, Pa.
E. "Al" Zahl, 1516 So. 5th St., Minneapolis, Minn.

RED JACKET petroleum pumping equipment

RED JACKET Manufacturing Company

• • • • • • • • • • • • • • • PETROLEUM EQUIPMENT DIVISION • Box 270, Davenport, Iowa • • • • • • • • • • • •

What They're Saying

Think your problems are new? These old quotes have an up-to-date ring

Biggest Problem of 1909 Jobber

"Economy, not alone in the buying of supplies, but in their distribution and handling, is the crying need of the jobbers, and insofar as the economy is practiced, it will benefit the public." *NPN editorial.*

Early Oil Burner Purchaser

R. L. Welch, secretary and general counsel of API, pegged him in 1926:

"A restless, ambitious, modern man who wants comfort first and is willing to pay for it. The man who buys a good car, iceless refrigeration, throws away the broom for the vacuum cleaner, has a good-sized house, comfortable income, and whose primary thought is what he really gets for his money."

What Size Lines at Racks?

An oil engineer answered this jobber question in 1921.

"Nothing less than 3-in. discharge piping on the loading rack. And on racks serving a large number of trucks or trucks of large capacity, it should be 4-in."

Gasoline Requirements

In 1917 E. B. Carson, Cosden & Co., Tulsa, opposed federal controls.

"The problem of what is suitable motor car fuel will work itself out alone. If the refiners are making stuff too heavy, consumers will buy the higher priced, more volatile stuff."

Cars Too High-Powered

W. C. Teagle, Standard Oil Co. (N. J.) president, reported in 1920:

"The U. S. is the only country in the world that insists on heavy, high-powered cars. It's time we stopped it. For practical purposes, an auto that makes 25-30 mph would serve every need. Such a car would get 25 mpg."

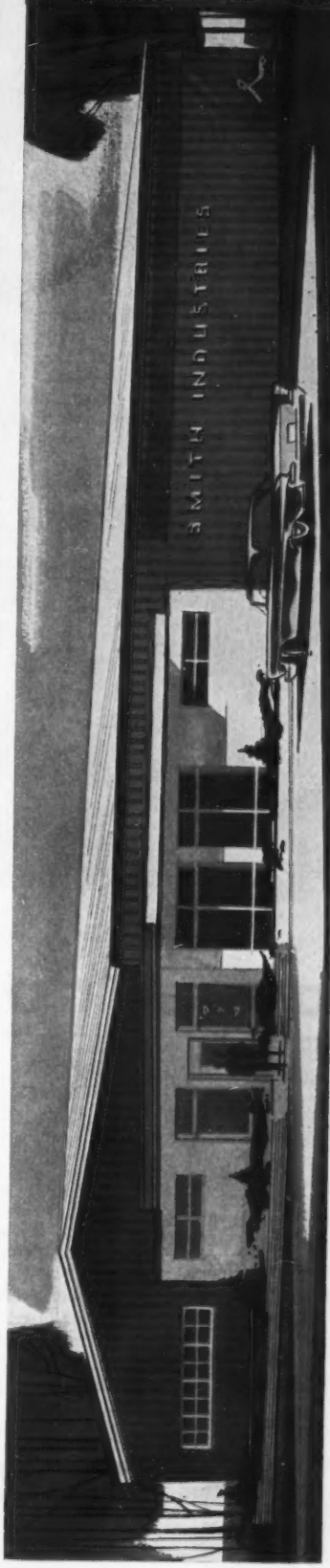
Station Overbuilding

In 1927 C. B. White, Chicago manager of Vacuum Oil Co., had this to say:

"Filling stations or other outlets for gasoline have increased ten times faster than the market.

The big idea was more stations to get more gallonage. Very little thought was given to more gallonage from present stations."

STRAN-STEEL BUILDINGS—NOW IN COLORS!



Functional as it is attractive, Stran-Master provides custom-fitted space for warehousing, manufacturing, service and office use.

CHOICE OF 6 COLORS ON LOW-COST Stran-Master

New factory-applied color makes Stran-Master the best buy on the market for economical commercial and industrial buildings. These low-cost, all-steel structures are now available in your choice of six attractive colors: blue, bronze, green, gray, rose, and white. Stran-Satin Colors won't sun-fade, peel or blister . . . two long-lasting layers of vinyl-aluminum coating are baked on to preserve Stran-Master's handsome appearance for many maintenance-free years.

You'll find the Stran-Master a quality-engineered building that facilitates quick construction, allows flexibility in size and layout, and can be custom designed to fit your particular operation. Finance it over a 5-year period with as little as 25% down on Stran-Steel's purchase plan. For full details clip the coupon or contact your nearest Stran-Steel dealer. He's listed in the Yellow Pages under *Steel Buildings* or *Buildings—Steel.*

Dept. NPN-2

STRAN-STEEL CORPORATION

Detroit 29, Michigan • Division of

NATIONAL STEEL CORPORATION

Stran-Steel

Dealers Everywhere

Stran-Steel Corporation, Dept. NPN-2
Detroit 29, Michigan

Please send data on Stran-Satin Color and complete literature on industrial buildings.

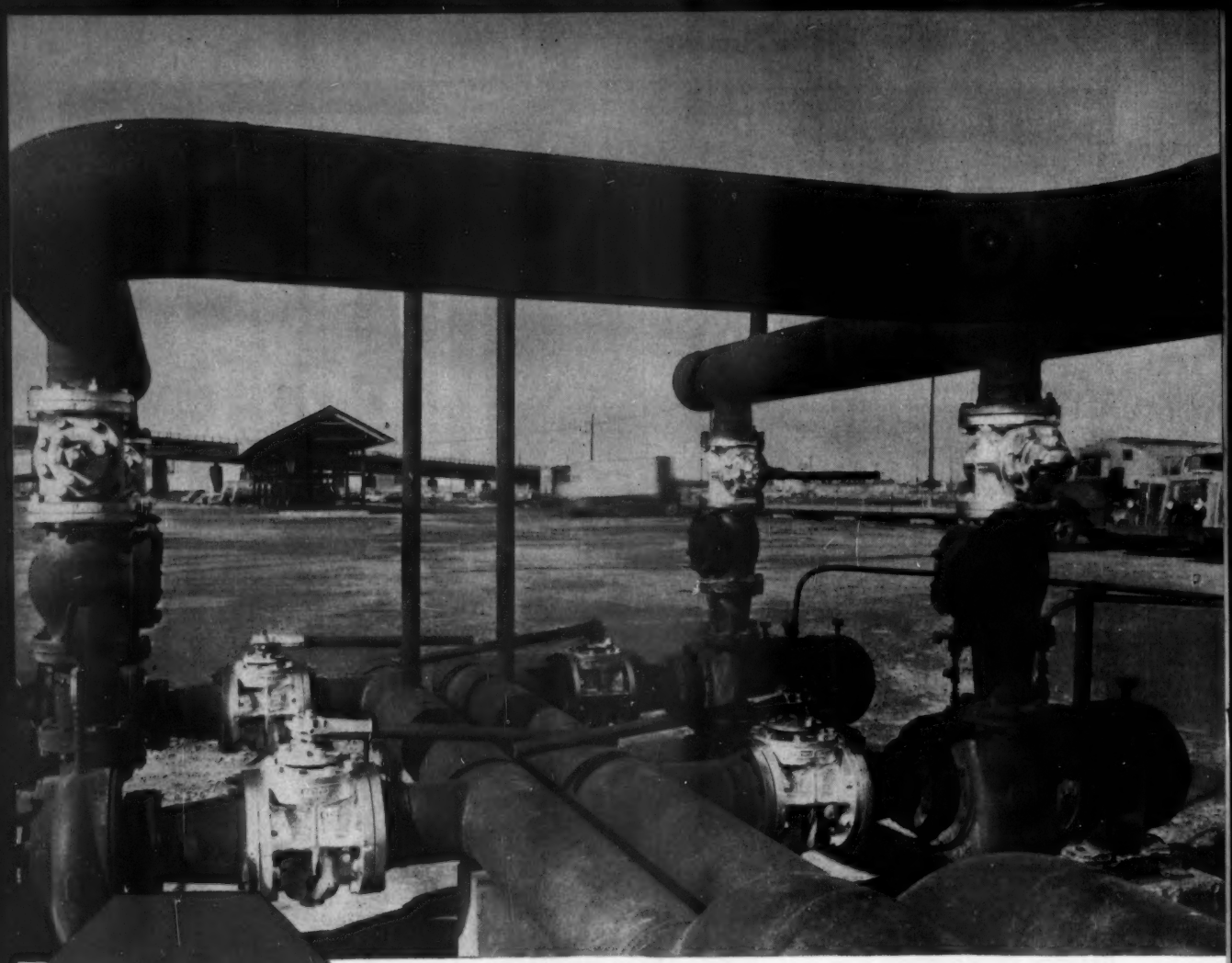
Name_____

Title_____ Phone_____

Company_____

Address_____

City_____ Zone_____ State_____



STOP PRODUCT CONTAMINATION

ROCKWELL-NORDSTROM VALVES stop product contamination because they are sealed with pressurized lubricant to insure positive shut-off and eliminate the uncertainty of metal-to-metal seating.

Leakage *through* a valve may not show, but it can cause costly product contamination problems. The *sure* way to prevent product contamination through valves is to always specify Rockwell-Nordstrom lubricated plug valves. Their *pressurized lubricant seal* is an instantly replaceable soft seat that has proven far more effective than metal seats that quickly cut and wear.

In addition to preventing contamination, Rockwell-Nordstrom valves close with a smooth, easy *quarter-turn* and the plug is hydraulically cushioned for instant operation. Lubricant, of course, means the valve stays in service longer and costs far less to use than ordinary valves.

Rockwell-Nordstrom lubricated plug valves and valve operating accessories are the world's most complete line. They cost no more to buy, often less, than ordinary valves. Write for full details or see your supplier soon. Rockwell Manufacturing Company, Pittsburgh 8, Pa. *Canadian Valve Licensee: Peacock Brothers Limited.*

ROCKWELL-Nordstrom VALVES

it's **ROCKWELL**

MANUFACTURING COMPANY

The West

Profits flow away through Portland's haywire pumps – Shell spots traffic

SOME OIL MARKETERS in Portland, Ore., received a rude shock recently when they found out their gasoline pump meters were way off and they'd been giving away gasoline.

The truth was discovered by the weights and measures division of the Oregon Agriculture Dept. when it took over pump checking from the City of Portland.

In a check of 2,442 gasoline pumps in 704 service stations in Portland, the state sealers found 558 out of tolerance but adjustable, and 226 so out of kilter they were condemned for repair.

Most of the measurement errors were in favor of the customer, says state sealer Lee Weber. The worst case was found in a busy major-brand station whose pumps were serviced by an independent organization. On a fast run, the pump gave an extra gallon with every indicated five. On a minimum-speed run, it pumped five gal. into the prover but indicated only 2.5 gal. on the meter.

On the other extreme, one pump was found measuring one gal. short every time the meter ran up five gal.

Most of the trouble was in smaller stations. Major-brand stations generally have their own service men check pumps regularly.

In Oregon as a whole, excluding Portland, the state sealers have found that roughly one of four pumps checked needs adjustment, and one of 30 needs repair.

In Portland the sealers found nearly one of three meters out of adjustment, and one of ten needing repair.

Portland's weights and measures bureau had been making pump checks only on request or complaint for several years.

►**A traffic-cast system** in the San Francisco Bay area is getting a lot of sales and public attention for Shell Oil Co.

The traffic-cast is a radio broadcast six hours a day giving traffic conditions on highways, freeways, streets and bridges that connect San Francisco and Oakland with scores of surrounding suburbs.

The programs are sponsored by Shell's San Francisco division and 38 independent Shell dealers, who get regular advertising plugs.

New Home for Canada's Supertest

Here's a look at the new headquarters of Supertest Petroleum Corp., Ltd., in London, Ont. The 120x80-ft. structure is scheduled for completion in April. It's built on concrete piles because the site was formerly the bottom of a lake, drained 60 years ago for a Canadian Pacific railway line. Supertest markets in Ontario and Quebec.

Canada: New Look in Stations

A REVOLUTIONARY new service station will be completed soon in Toronto, Ont. Here are some features:

- Nine-grade blending pumps for private brand gasoline.
- A high-speed lube bay operation modeled after fast car-wash conveyor systems.
- Overhead oil dispensers at the pump island, blending seven grades.

The developer is Canadian Tire Corp., a giant automotive supplier making its first move into the service station business.

The new station's "strictly an experiment," says the company. It's located in downtown Toronto, where it should get a high-volume test.

Canadian Tire is after speed, a carryover from its automotive stores.

The biggest of its 165 outlets are served by clerks on roller skates, and purchasing is done by punched cards. A buyer picks up a card at a merchandise display, and gets his goods by inserting the card in an automatic device at a delivery counter.

Perhaps the most radical departure of the new station is its semi-automatic lube bay. A car hooks onto a 65-ft. steel conveyor and comes off the other end in five minutes with a complete oil change and lube job, including check-up of filter, battery and radiator.

The work is done by attendants working alongside the conveyor and in pits beneath it.

►**Heating oil men** in British Columbia are feeling the effects of natural gas in their market. Demand for this fuel is skyrocketing.

In 1955 British Columbia Electric Co. had 3,000 gas-heat customers and was losing out to oil, but by the end of 1958 it had 17,000 accounts.

The company looks forward to serving 100,000 home accounts with gas heat by 1963.

►**Fuel oil tanks** may now be installed in basements in Vancouver, B.C., instead of underground. The city council made the change after a three-year battle by the Fuel Oil Dealers Assn.

The association says a 300-gal. basement tank can now be installed for $50 to $75 less than before.

►**British Petroleum, Ltd.,** has changed the name of its international aviation fueling service from "BP Aviation Service" to "Air BP."

(*Continued on page 21*)

NEW THINKING IN...

THE HEAD FOR FIGURES

made by
VEEDER-ROOT

Life is made easier for the man at the pump (and his customer, too) . . . by this improved Veeder-Root Computer that has more skills built into it. Look at these features: Faster, easier resetting with controlled reset cycle . . . Fewer parts for easier, faster maintenance . . . More protection for totalizers . . . Larger figures and improved lighting for easier reading. All these improvements are proof of Veeder-Root's continuous effort to make the "Head for Figures" more easy to use and maintain.

Watch for more news from Veeder-Root . . . where the objective of every working day is to help the gasoline pump industry render better, more dependable service to service stations and their customers.

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"THE NAME THAT COUNTS"

The Rockies

Majors putting price heat on 'big' Bay Petroleum – Stamps lose a battle

OIL MARKETERS in the Denver area are settling down for what some experts predict will be a long period —maybe years— of subnormal prices.

By Frank Pitman

An interesting explanation is offered by several oil men for the gasoline price war that broke out in late fall with a rapid series of cuts that totaled 6¢ gal. for regular.

These marketers say they lowered their prices to meet those posted by Bay Petroleum Corp., a subsidiary of Tennessee Gas Transmission Co.

"Our company has determined to meet whatever price is posted by Bay," a major company marketing manager says. "They are now as big as or bigger than we are, they have nice stations, and offer as good a gasoline. We'll meet competition as long as it takes."

Making Bay a Major—In effect the price cuts have the object of making a major out of Bay. The Denver market traditionally has had three levels of prices—the majors on top, so-called independents a cent per gal. lower, and cut-rate stations around 2¢ or 3¢ lower.

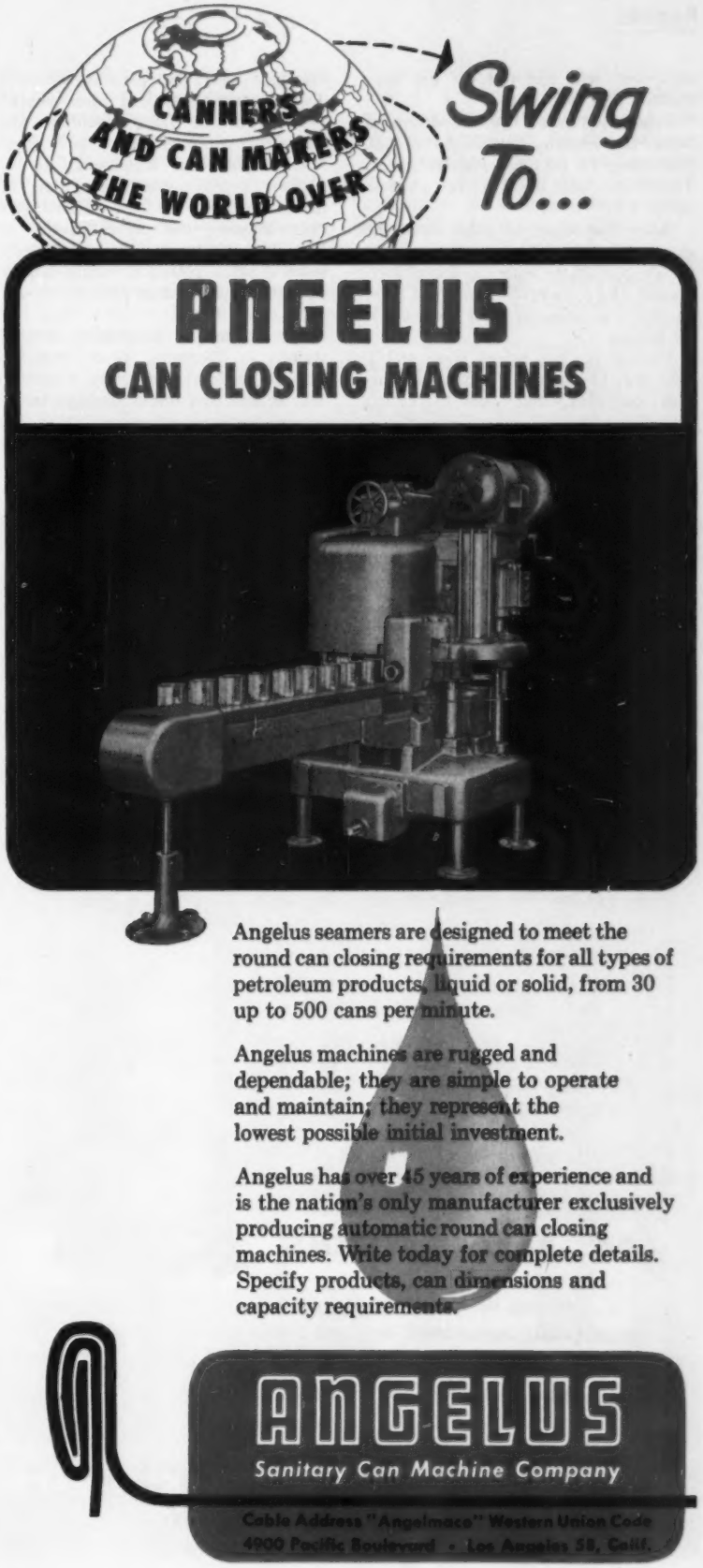
Bay with an 11,000 b/d refinery in Denver, has for many years been at the independent level. But things began changing after a major portion of Bay's assets were acquired for $20-million by Tennessee Gas in June 1955.

Then began an expanded marketing program in Denver with Bay opening impressive new stations, stepping up advertising, and expanding the Denver refinery.

Bay's marketing volume climbed until it ranked fourth in Colorado. The top three are Continental, Texas and Standard of Indiana.

Bay's advance put it ahead of majors like Phillips, Sinclair, Carter and others. But Bay's prices were a cent under the majors.

Suppliers Bear the Brunt—While the service station operators' profit margin has been shaved, the biggest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Angelus seamers are designed to meet the round can closing requirements for all types of petroleum products, liquid or solid, from 30 up to 500 cans per minute.
Angelus machines are rugged and dependable; they are simple to operate and maintain; they represent the lowest possible initial investment.
Angelus has over 45 years of experience and is the nation's only manufacturer exclusively producing automatic round can closing machines. Write today for complete details. Specify products, can dimensions and capacity requirements.
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price cut was suffered by the suppliers.

Before the price war the delivered price to dealers was 26.5¢ a gal. (including 9¢ tax) for regular grade. The dealers sold it for 32.9¢, a mark-up of 6.4¢.

After the wave of price cuts, the majors and large independents were retailing at 26.9¢ with the dealer buying for 21.1¢—a profit margin of 5.8¢. Premium gasoline in most instances is 4¢ higher.

Denver market prices were stabilized for 18 months before the current outbreak, but one marketing manager said the present situation "could continue two or three years."

Bay officials have declined any comment, although there have been several published statements in the Denver press quoting unnamed oil marketers as saying their stations were only meeting the prices posted by Bay. The statements also said the subnormal price situation would continue until Bay raised its prices.

►**An ordinance** abolishing trading stamps in Worland, Wyo., was approved on first reading by a vote of 5-2. It had two more readings to go.

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• TOTALTECTOR® Protects Against Conditions of Empty Tank and Excessive Overloads.
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The Midwest

New packaging material poses problem: putting the products inside

THE TECHNICAL DIRECTOR of a major Midwest oil company has put his finger on what he says is the biggest single obstacle to the development of a lightweight, inexpensive plastic container for motor oils.

By Lewis Brigham

"Everyone," says Hugh Hemmingway, director of research for Pure Oil Co., "wants to get into the packaging business. But developing the package is only 20% of the job. Filling it is the trick, and most people forget that our industry has to fill motor oil containers at a rate of 500 to 600 quarts a minute.

"It's not economically attractive," Hemmingway says, "unless we can fill at a minimum rate of 300 quarts a minute." As for materials, he adds, several have been developed.

Hemmingway's comments came in response to a query on possible industry applications of a new saran-coated polyethylene film recently patented by a Chicago firm. But he didn't specifically discuss this product.

The new film, developed by the Filmed Fabrics Co., is an electronically laminated combination of polyethylene and saran coating. Polyethylene is for rigidity and saran for holding the oil.

According to company officials, the product can provide quart oil containers for about 2¢ each. Present price for conventional cans is about 5¢.

Ed Raymond, Sr., project head of Filmed Fabrics, reports a large national mail order house—which claims an annual motor oil volume of 30-million quarts—is interested in the film.

Filmed Fabrics is ready to do more than just provide the film, says Raymond. "In bringing out a new product, we can't just say here's a new film: you figure out what to do with it. We'll work with anyone who's interested in getting a satisfactory container design."

The Southwest

How present highway plans shape up for federal-state roads in Texas

ONE OF THE BIGGER problems facing operations men today is trying to plan for the federal-state highway program.

By Marvin Reid

They have to base station design and building plans on decisions made by the federal Bureau of Public Roads and state highway departments.

Many operations men in the Southwest don't like some of the decisions.

They are particularly concerned that if and when road builders' plans go sour they'll be stuck with expensive stations at bypassed sites.

Here's how present plans shape up for the new federal-state highways in Texas:

The new roads will be wide-laned, with rights-of-way purchased at considerable depths on each side. The state will restrict billboards and access. There won't be any sites available except at crossroads according to present plans, for stations easily accessible for motorists.

Where an existing road does cross the new highway, stations and other establishments can be put on the existing road. But even so, billboards advertising the establishments will be controlled by the highway department.

Confusing?—Some company operations men think this kind of arrangement will prove to be inconvenient and confusing to the average motorist.

They see the motorist as a man used to buying his gasoline when and as he needs it. He hasn't been trained to realize there may be considerable distances between station locations. He's also used to finding them right alongside the highway he's on.

There's some fear that motorists eventually will squawk enough so that highway departments will decide changes have to be made—after companies have put their stations in at the crossroads locations.

Current plans for the new highways call for "rest" strips of certain lengths about every 20-30 miles. These would be places where motorists could pull out of the main travel lanes and park.

What's to keep the states, operations men wonder, from converting some of these strips into sites for stations, restaurants, or other establishments? They might do so on a concession basis, or by leasing sites to the highest bidders.

If that should happen, then those crossroads locations that may have cost quite a bit to develop would get secondary attention from the average motorist.

Maybe a Trend—Because of the new road regulations, a station design trend seems to be emerging in the Southwest, and perhaps elsewhere: non-bay stations.

The reason, as one operations man sees it, is that new highway stations won't draw many car wash and lubrication customers. So this designer right now has in mind a station with pumps, sales room, and perhaps a carport for tire change and other service.

►**Majors are still battling** for position in Texas. Humble stayed ahead in 1958 (as it has for several years) in total retail gasoline sales, according to tax figures. Texaco gave Humble a real battle, taking over the lead one month during the year. Gulf ran a strong third.

►**Hospitalized** by an attempted armed robbery of his station, a Tyler, Tex.,

FAST FUEL OIL DELIVERY
Fig. 189-F
Fig. 189-G
Fig. 231-A
Morrison fuel oil hose nozzles are noted for their speed of delivery and sure tight closing action.
Light, convenient, and easy to manipulate, these Morrison self-closing nozzles are popular with fuel oil delivery men. The drivers like the smooth action and the clean cut tightness after the nozzles are closed.
A variety of these nozzles is made to meet every delivery problem.
Fuel oil deliveries are made simpler, safer, and faster with the Morrison fuel oil hose nozzles.
Fig. 224
MORRISON BROS. COMPANY
OIL EQUIPMENT HEADQUARTERS
DUBUQUE, IOWA

WHY BRAKE SERVICE WITH RAYBESTOS?

In a word . . .

loyalty

. . . keeping your dealers loyal to you and the public loyal to your dealers. Motorists assured of good, dependable brake service from a station are likely to patronize that station week-in, week-out for gasoline, motor oil, lubrication and TBA. Dealers assured of steady, extra income from brake work—and the other business that brake work brings in—are likely to stay in your family.

To make brake work pay full dividends, you'll want to encourage your dealers to use Raybestos linings—not cheap, off-brand, inferior makes that might actually ruin their reputations. Here are just three of the many reasons why you'll want your dealers to use the linings that are copied, but never equaled.

• **Sound training program**
Raybestos factory schools and local brake service clinics (featuring up-to-the-minute films) train mechanics effectively.

• **Consumer acceptance**
In every recent independent survey, Raybestos has emerged the No. 1 brand.

• **Experts' preference**
In the 1958 Indianapolis 500 mile race *every car that finished* was equipped with Raybestos brake linings.

If you would like to discuss the possibilities of Raybestos in your service station plans, just write to us. We will be delighted to meet with you at your convenience.

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AMERICA'S BIGGEST SELLING FRICTION MATERIAL

RAYBESTOS DIVISION of Raybestos-Manhattan, Inc., Bridgeport, Conn.
RAYBESTOS-MANHATTAN, INC., Brake Linings • Brake Blocks • Brake Fluid • Clutch Facings • Industrial Rubber Mechanical Packings • Asbestos Textiles • Engineered Plastics • Sintered Metal Products • Rubber Covered Equipment • Laundry Pads and Covers • Abrasive and Diamond Wheels • Industrial Adhesives • Bowling Balls

Regions

operator wouldn't take donations to help pay the mounting bills. So his friends came up with a novel plan.

Other local operators, even competitors, would keep his Texaco station open by taking turns, and The Texas Co. proposed to advertise James Ward days in Tyler, after the veteran 57-year-old operator.

On the first two-day weekend, volunteers sold 8,000 gal., about as much as Ward sold in an average month.

One unidentified motorist paid $50 for a single gallon of gasoline, and another paid $1 a gal.

►**Phillips Petroleum** is reported dickering with Gloco Oil Co. for a string of private-brand stations in the Dallas-Ft. Worth area. Phillips would like to convert them to the Paraland brand.

Talk has it that Phillips is the supplier, but would like to get wider recognition for its new brand.

►**Bay Petroleum Co.** has acquired a chain of 41 service stations in Louisiana, Mississippi and Alabama. The property was the Tony Paciera family interest in Gulf Coast Oil Co., sold by the heirs.

►**A new private-brand jobber** has arisen on the Texas Gulf Coast in the past few months. Known as Texas Petroleum Co., the firm has a "subsidiary" called Hi-Speed Oil Co.

These companies combined have about 20 retail outlets, with total volume running 330,000 to 350,000 gal. a month. All stations were bought from other jobbers; one big purchase was six, bought from Watson Oil Co.

TPC and Hi-Speed have expanded rapidly but will go forward slowly now, says manager George Antoinellas. Starting with $100,000 investment, the companies have the approximate number of outlets desired.

These stations sell mostly gasoline and oil, supplied by Gulf Coast refineries.

"This happens to be a '59 model, and you happen to have filled the taillight.

HEAVIER MANHOLES
AT COMPETITIVE PRICES

by Buckeye

Valves and Fittings for the Oil Industry

This exceptionally sturdy manhole is made to resist the weight of even the heaviest trucks entering a service station. Cast iron lid and one piece cast iron body. Locking or non-locking lids with skid-proof diamond pattern. Minimum thickness, ⅜", heavily reinforced by six deep ribs under the lid. Priced with manholes of considerably less substantial construction.

- 9" and 11" sizes (gasket and locking lid optional). 9" model is 7½" deep. 11" model is 8" deep.
- Locking type opens easily with a screwdriver. No wrench needed. Nylon washer on locking bolt for continuous trouble-free operation. Large completely recessed lid handle makes lid easily removable by hand.
- Extra wide body flanges (11¾" diameter on the 9" series, 13¾" on the 11") and oversize inside diameters (9⅞₁₆" on the 9", 11⅞₁₆" on the 11") provide superior load bearing qualities.
- Watertight gasket models have rubber lid gaskets cemented in place. Ample bearing surface, too.
- Replaceable brass product identification tag, 2" x 1¼" available for all models.

Buckeye

BUCKEYE IRON & BRASS WORKS • Box 883, Dayton 1, Ohio

Please send me additional information on the new Buckeye 717-O Manhole. Buckeye Iron & Brass Works, Box 883, *Department N*, Dayton 1, Ohio

NAME _____

COMPANY _____

ADDRESS _____

CITY _____ ZONE _____ STATE _____

"Bags of 'Gold' from my

SCOTSMAN ICE CUBE MACHINE!"

"My SCOTSMAN is one of the best investments I ever made." So reports Vernon D. Neil, owner of Vern's DX station in Edina, Minnesota.

"In our suburban Minneapolis area, the Super Cuber is a great convenience to my customers and saves them time and extra steps. My sales? They easily pay my monthly installments all through the season. I find that customers buy two or three bags at 35 cents each or 15 cents a scoop."

This is a typical experience in all sections of the country. Service station men are installing SCOTSMAN Super Cubers and cashing in on extra profits and increased station traffic.

Customers stop for ice, then buy gas, oil, other products at the same time. Attractive SCOTSMAN signs and display material help you sell SCOTSMAN cubes too! Why not start boosting your volume with high profit SCOTSMAN ice? Send in coupon for full details.

Signs like these help you build traffic and sell SCOTSMAN Ice!

Choose from over 50 SCOTSMAN models. Super Cuber capacities from 100 to 500 lbs. daily. Super Flaker capacities from 200 to 2,000 lbs. daily.

Model SC-100 Up to 110 lbs. of Super Cubes daily

Model SC-200 Up to 225 lbs. of Super Cubes daily

Model SF-2WSF Up to 550 lbs. of Super Flakes daily

SCOTSMAN ICE MACHINES

Queen Products Division • King-Seeley Corporation

242 Front Street, Albert Lea, Minnesota

● Please send me complete information about SCOTSMAN ICE Machines.

NAME_____

ADDRESS_____

CITY_____ STATE_____

Regions

The Southeast

Here's what they do in the South when it's cold, cold, COLD outside

A RECORD-BREAKING snowstorm in mid-December may have stopped complaints by South Carolina jobbers about the unusually warm fall, but it brought new problems.

By B. E. Barnes

The snowfall made it tough for trucks and men, unused to such conditions, to keep up with a sudden 10% increase in fuel oil orders.

H. L. Benson, Benson Oil Co., Columbia, S. C., showed his customers that it takes more than six inches of snow to get a good jobber down.

Truck chains, says Benson, are unheard of in South Carolina. So he met the challenge by taking pliers and bolt-cutters in hand and fashioning some home-made snow chains. His trucks hit the road just a few hours after the last flakes fell.

►**When folks around Carthage,** Tenn., complain about the near-zero weather, Socony Mobil jobber Robert Mixon, Mixon-Nollner Oil Co., smiles wryly.

Mixon, who at 63 is approaching his 48th year in the oil business, remembers driving a team of mules all night in 1911 to deliver petroleum products out of Clarksville to country stores, a mill and one boat account.

He was 16 years old then, delivering for the town's one station. His route took him over unpaved roads six days a week.

"We had to make delivery—snow and ice were no excuse for failing. It wasn't unusual to spend an entire night trying go get out of a ditch. The mules were ice-shod, but the going was often too tough for them. I always carried 150 feet of rope for emergencies."

It was a banner week in those days, says Mixon, if you sold 170 gal.

►**North Carolina jobbers** report the gasoline price situation has improved somewhat in most of the state. In December, jobber contribution to dealer temporary price allowance

WEAVER TWIN POST -- the "number-one" lift for service use

1959
AGAIN PROVES
WEAVER'S
ABILITY to
design lifts
that do not
become obsolete!

Shown above is 1959 Pontiac on EC-102 Weaver Twin Post Lift . . .

MORE AND MORE MAJOR OIL COMPANIES ARE MAKING THE WEAVER TWIN POST THEIR *"NUMBER-ONE"* LIFT.

No new model car has ever obsoleted the

WEAVER TWIN POST LIFT

For past, present and future use in your place of business, the Weaver Twin Post Lift beats 'em all. No new model car has ever obsoleted the Weaver Twin Post Lift – It handles all 1959 models – or older models – long, medium or short wheelbase. Model EC-102, is *rail-less,* and provides unobstructed chassis accessibility . . . Current model Weaver Twin Post Lifts, with standard adapters easily handle jobs that can *not* be raised safely on other lifts.

Because of its utility and anti-obsolescent qualities, the Weaver Twin Post should be the NUMBER ONE lift for you.

IF YOU NOW HAVE Weaver Twin Post Lifts – you'll be glad to know that your lifts have not been made obsolete because of changes introduced in some new cars and trucks . . . For early model lifts, new saddles and adjustable adapters – or conversion kits – by Weaver will enable you to bring your equipment up-to-date.

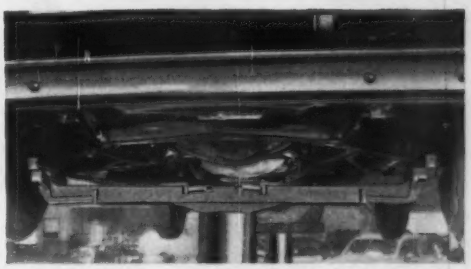

Photo above shows how front end of Pontiac is supported on Twin Post with Weaver Adapters extended. Range of adapter adjustment is from 19½" to 50½".

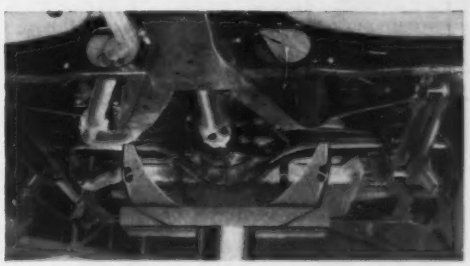

Photo above shows frame construction on the same car. Adjustable Rear Saddle Adapters cradle differential housing for a *safe sure contact.*

WEAVER

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SERVICE SHOP EQUIPMENT

Complete line includes: Twin Post Lifts . . . Triple Post Lifts . . . Single Post Roll-on, Free-Wheel and Frame Type Lifts . . . Unit Lifts . . . Bumper Lift . . . Car Washers . . . Wheel Alignment Equipment . . . Headlight Testers . . . Brake Testers . . . Wheel Balancing Equipment . . . Jacks . . . Wheel Dollies . . . and Air Compressors.

Here's your '59

You've seen and heard Ed Sullivan sell this Kodak-made Starflash camera on the "Ed Sullivan Show" on the CBS-TV Network

Order yours while they LAST!

Purolator Bonanza Bonus!

THIS $8.95 KODAK STARFLASH CAMERA FOR ONLY 59¢

Here's the most terrific deal to ever hit the filter industry:

Dealer buys Purolator Bonanza refill assortment of fast-moving filters he stocks—at regular prices

Dealer adds on special low price for Bonanza Bonus unit (1 PER 5 and Starflash Camera) $4.54

Dealer Sells the FREE PER 5 for . . 3.95

Actual cost of Camera . . . . . 59¢

The famous Starflash Camera takes pictures just the way you like them: in black-and-white—in color—and color slides. This Kodak beauty features

- Built-in flasholder
- Fast fixed-focus Dakon lens
- Optical viewfinder
- Safety winding feature prevents double exposures
- Adjustable neck strap

What a team to clean up with!

"Purolator" Reg. U. S. Pat. Off.

PUROLATOR

OIL, AIR & FUEL FILTERS

PUROLATOR PRODUCTS INC., Rahway, N. J.; Toronto, Ontario, Canada

New low cost washer sprays a car cleaner in less than 10 minutes

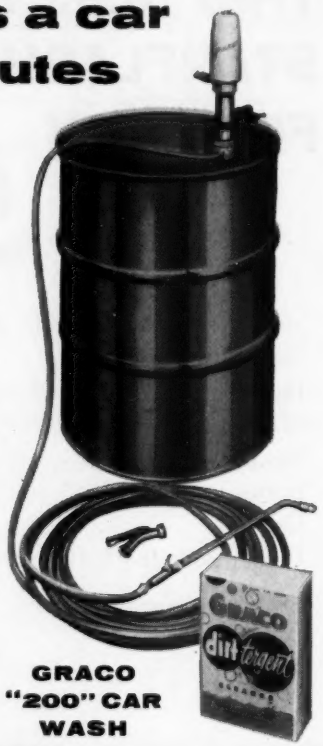
GRACO's "200" Car Wash is a brand new profit package for you. Cars, trucks and busses gleam like new after a quick cleaning with this amazing new car washer. In seconds, caked dirt, grime and sludge disappear down the drain.

AN EFFICIENT PUMP is the heart of this easier way to wash cars. The time tested air-powered GRACO pump forces the fast acting detergent through a high pressure valve and spray nozzle. Detergent solution, at 300 pounds pressure, thoroughly soaks and loosens dirt *in one pass of the spray gun.* To finish the job, use the high volume valve which lays down a wide soft spray of clear water and flushes loose dirt and detergent away. It's fast and easy from start to finish.

BRING IN NEW BUSINESS. Using the same GRACO "200" Equipment you'll find it's easy to pick up extra profit on motor washes, parts cleaning and similar jobs. A clean station attracts customers, too, and the GRACO Car Wash can make maintenance an easier, more pleasant task.

CHECK THESE FEATURES. Simple, one man operation. Fits any container from 5 to 55 gallons and includes 40 ft. of fluid hose for maneuverability. Economical air-powered pump has 2 to 1, high pressure ratio. Pump, fittings and all connections are brass for durability. It's a complete, ready to go package that includes GRACO "Dirt-Tergent" wash powder... a concentrated cleaner that works fast with complete safety for painted surfaces and operator.

AN ILLUSTRATED BROCHURE explains details and features of the GRACO "200" Car Wash. "In use" photos show car washing, motor cleaning operations and the profit opportunities for you. Write for a copy or ask your Jobber for complete details *today*.



GRACO "200" CAR WASH

See GRACO Equipment in action at the I.A.S.I. Show, Navy Pier, Chicago... Visit Booths 83 • 85 • 87 • 89

Equipment by **GRACO**

GRAY COMPANY, INC.
232 Graco Square • Minneapolis 13, Minnesota
Factory Branches: New York • Philadelphia • Detroit
Chicago • Atlanta • Houston • San Francisco
Sales Offices: Washington • Toronto

was reduced from 0.75¢ gal. to 0.2¢ gal.

The jobbers are apprehensive about talk of increasing the state gasoline tax from 7¢ to 8¢ gal.

As natural gas pipelines creep toward the eastern North Carolina coast, oil jobbers in five counties are planning TV and newspaper campaigns to keep consumers fuel oil conscious. Jobbers in a 10-city area raised $10,000 for the drive.

►**Mississippi Oil Jobbers Assn.** has set up a consignee division similar to those in North Carolina and Texas.

"The consignee members will help us from a legislative standpoint, giving us more influence in government," says John Sullivan, executive secretary.

Consignee members can't vote or hold office. They'll attend conventions but have separate business meetings.

First meeting of consignees will be at the association's get-together in early spring.

►**Heating oil distributors** and major-company representatives have laid the groundwork in Florida for an oil-heat promotion group.

They have set up Better Heat Council of Florida, have agreed to pay dues on the basis of $500 per million gal., starting next month, and hope to get major-company support for their program through National Fueloil Council.

Better Heat Council owes its life to Florida Petroleum Marketers Assn., which is anxious to get some oil-heat promotion program going before natural gas becomes a reality throughout the state.

►**A fight** looms in Florida over possible additional taxes on gasoline.

Highway officials are pushing a plan for a 1¢ a gal. increase in counties most needy in road construction.

Opposing the idea is the Florida Highway Users Conference, which wants the state to stop draining road-use taxes for other purposes.

The conference is after legislation to prevent the state from putting $30-million in auto-tag money into the general fund.

►**Mason-Newton Oil Co.,** Jacksonville, Fla., has acquired the 41 stations of the Southern Oil Stores, Inc., also of Jacksonville.

The stations, flying the Dixie-Vim brand, are scattered throughout seven southeastern states. Only seven outlets are in Florida. The acquisition gives Mason-Newton a total of 48 stations.

Mason-Newton, whose brand is Sonic, will operate the new stations under the Dixie-Vim name, at least for the time being.

The East

New York jobbers scowl at commercial account scene; OHI chapter finds a new way to finance promotion

EMPIRE STATE Petroleum Assn. is watching commercial accounts. From where it sits, the situation hasn't improved much despite the outcry made by jobbers at the National Oil Jobbers Council convention.

By Cornelius Brodersen

ESPA cites gasoline bids made to Rochester Transit Authority as an example. Bids ranged from Cities Service's 14.41¢ gal., less 1% for 10-day payment, down to Texaco's 11.43¢ gal., less 1%. Majors bidding for the business included Socony, Esso, Sinclair, Gulf, Calso (through Independent Oil Co.), Sun and Shell.

Two jobber bids were about in the middle of the price range. Langie Fuel Service, Inc., a Socony jobber, bid 12.80¢ gal., less 1%, a bid that was 1.18¢ gal. higher than that of its supplier; and J. H. Rae Oil Co., a private-brand jobber, bid 12.13¢ gal., also less 1%.

Texaco's low bid was 4.97¢ under dealer tankwagon of 16.4¢, and 5.47¢ under commercial tankwagon. "It would offer a netback at the Gulf of approximately 1.75¢ under the Gulf cargo price," ESPA says.

►**How can oil-heat promotion** groups get more heating oil jobbers interested in getting on the oil-heat promotion bandwagon?

A lot of executive secretaries of such groups worry over the answer. But they needn't, any longer, because Oil-Heat Institute of Westchester in Westchester County, N. Y., found a neat way out of the dilemma.

Instead of soliciting funds for oil-heat promotion among members on a voluntary basis, it has made funds for oil-heat promotion a significant part of its dues schedule. Support of an oil-heat promotion campaign is now mandatory. Dues are set up on a gallonage basis; the minimum is $350 a year.

Under this plan, oil men in Westchester and their suppliers, working on the new National Fueloil Council oil-heat promotion program, will have about $60,000 for local oil heat advertising this year.

"This is about 50% more than what

we had last year," says Jim Grady, executive secretary of OHI of Westchester.

How did it affect membership? The new dues schedule was adopted by vote, but even so two distributors dropped their OHI membership. One in effect "returned" when a supporter of the new dues plan bought him out a short time later.

"But the most important thing," Grady adds, "is that six companies who didn't support any of our previous efforts went along with the plan.

"And they brought in several new suppliers to support the program, suppliers who didn't take any interest before in what we were doing because their local distributors didn't go along with our advertising programs."

►**Sentinel Oil Co.** of New Rochelle, N. Y., has switched suppliers. After nearly 12 years as a branded Gulf heating oil jobber, Sentinel has joined the Esso branded family.

Sentinel, headed by Tom Brown, markets in Westchester and Bronx counties, where it has more than 3,000 home heating accounts.

►**United Refining Co.,** Warren, Pa., has realigned its marketing division. Emblem Oil Co., a wholly-owned marketing subsidiary, ceased to exist Jan. 1. All its functions are now handled by United's Keystone division.

►**Oil-Heat Assn. of Maryland** is settled down in its new and larger quarters at 213 E. 25th St., Baltimore, a few doors from its old address at 219. The new office gives OHA room enough for committee meetings.

►**Gasoline taxes** aren't the only levies moving up. Baltimore has upped the city sales tax on No. 2 oil delivered to commercial users, from 0.75¢ gal. to 0.8¢. The tax on No. 4, 5, and 6 oil is up to 0.6¢ gal. from 0.5¢.

►**Tidewater Oil Co.'s** eastern division headquarters are now in the new Getty Bldg., at 660 Madison Ave., New York, N. Y.

The company continues to expand its East Coast marketing operations. It acquired 18 service stations from Nutter D. Marvel, Georgetown, Del., former Amoco jobber who wanted to sell and was looking for a buyer.

►**The New York State** Petroleum Council has opened a regional office at Buffalo, N. Y., in the Jackson Bldg. It takes in 23 western counties.

Secretary is William A. Scott, formerly a field representative for the New York-New Jersey Oil Information Committee district office.

Regional council chairman is Roe F. Tinsley, district manager of Gulf Oil. Vice chairman is Wallace S. Ware, division marketing assistant for light products, Socony Mobil.

Other New York regional offices are: central, Albany, and eastern, New York City.

►**Maine Oil & Heating** Equipment Dealers Assn. thinks the state's new regulations requiring fire extinguishers on tank trucks is far too tough. The basis for such thinking is that the new rules go way beyond standards set up by National Fire Protection Assn. As a result, the heating oil jobbers are teaming up with Maine Petroleum Assn. to get the state rules toned down to match NFPA ideas.

►**Northeast Oil Co.,** Tidewater jobber in Houlton, Me., has sold most of its assets to its supplier. Tidewater picks up service stations; dealer accounts; more than 150 farm and commercial accounts.

OILCO
FULL FLOW
COMPACT • SPRING BALANCED
EASY OPERATION • FLEXIBLE
RUGGED • LESS EVAPORATION
LOW COST
OILCO
Spring-Matics
SIMPLIFY
TRANSPORT
LOADING
No. 450-AM
3" and 4"
Oilco Spring-Matic No. 450-AM provides all the elements for trouble-free loading, ease of operation, compactness, greater flexibility, less evaporation losses, and minimum cost.
Available in different models and sizes to meet all applications
Representatives in all leading cities, U. S. and Canada
OIL EQUIPMENT MANUFACTURING CO.
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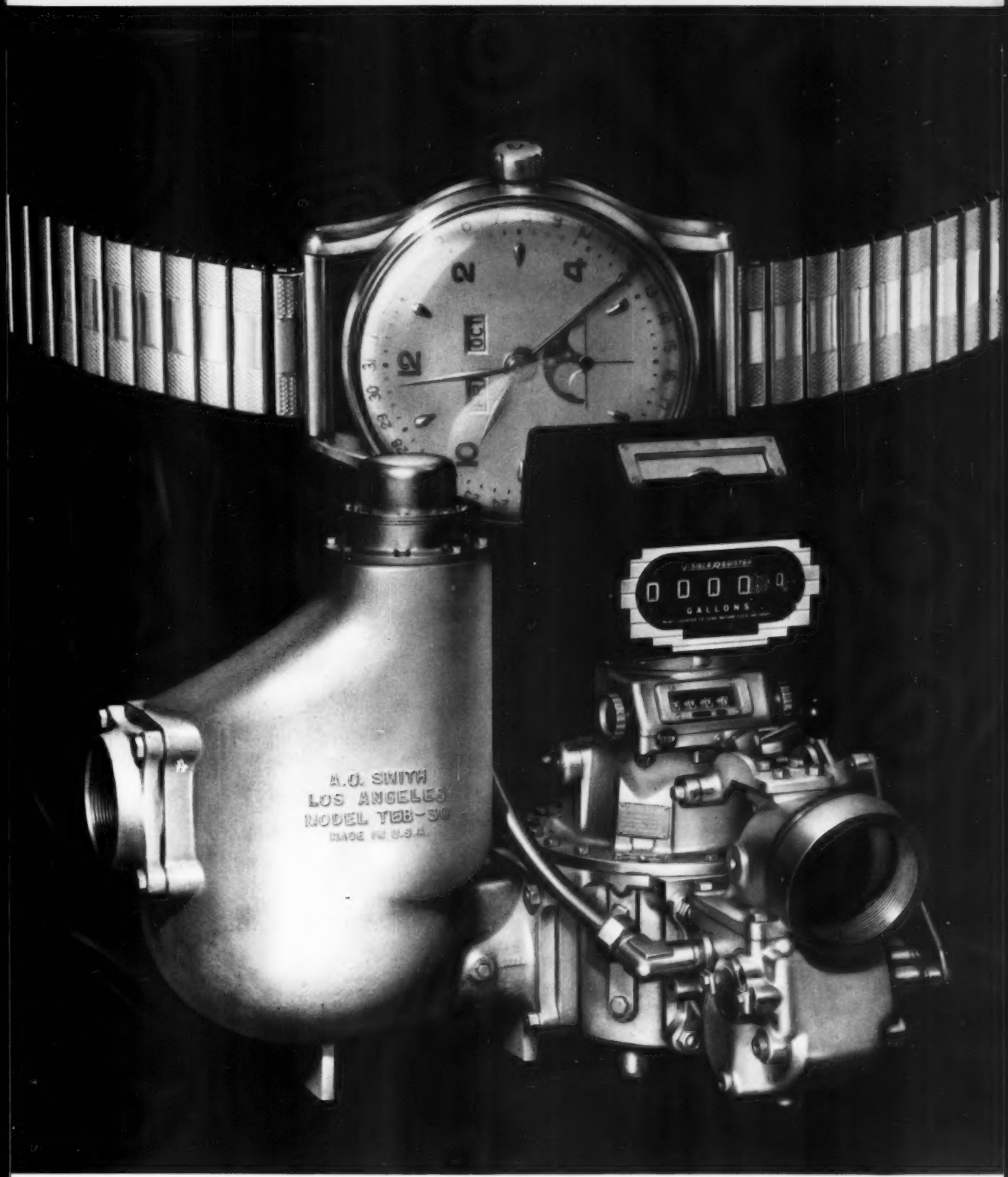
3100 VERMONT AVE., LOUISVILLE 11, KY.



the newest and fastest, "never-lose-a-drop" gravity tank truck meter

RIGHT UP FRONT

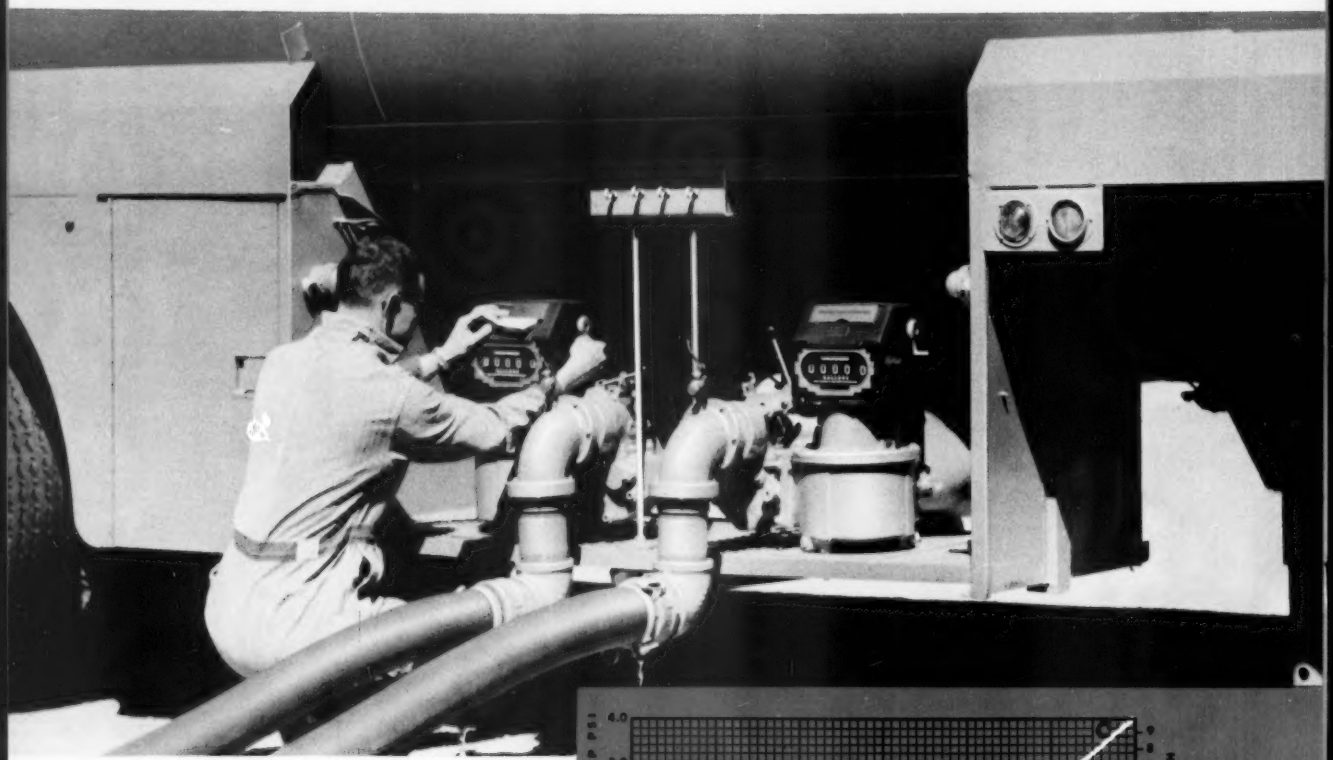
AMONG THE WORLD'S MOST PRECISE MEASURING DEVICES...

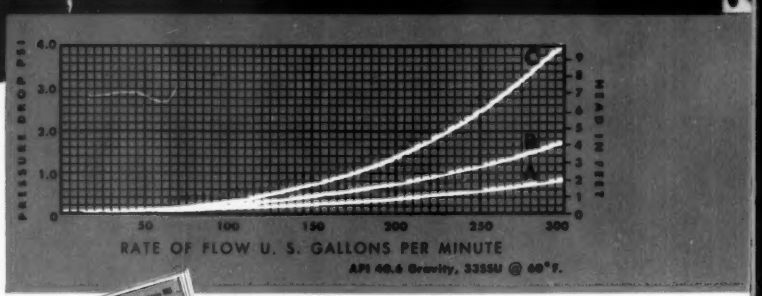
NEW A.O. SMITH 300 G.P.M. MODEL T-30 GRAVITY TANK TRUCK METER

Turn page for details . . .

T-30

HIGH-SPEED GRAVITY TANK TRUCK METER





FULL 4-INCH UNIT IS EASY TO INSTALL . . . FEATURES UNIQUE DESIGN

Now, for the first time in gravity tank truck meters, you can get deliveries up to 300 gpm. That means less time per stop . . . greater utilization of labor and equipment.

Further, design of the T-30 makes installation a breeze. By use of special fitting, air eliminator can be located at 90° from meter inlet. The meter can be ordered for installation in any of four basic positions.

Another factor you'll want to consider is the T-30's *sustained accuracy*. True to A. O. Smith's tradition, no finer meters — in materials, design and precision fabrication — were ever built.

The chart above illustrates the T-30's low pressure drop typical of all A. O. Smith "T" meters. "A" curve shows pressure drop for meter only, "B" for air eliminator-strainer only, "C" for meter, valve, air eliminator-strainer combined.

The booklet shown at left includes test data, mounting suggestions, specifications and information on the T-30's operating principles. It's yours for the asking. Contact your representative or write direct.

AVAILABLE WITH ANY OR ALL OF THE OPTIONAL FEATURES YOU NEED

The T-30 is one of the most versatile meters available for tank truck service. Here are some of the accessories —

- **Outlet faucet** — 3″ or 4″ straight or 15° down slope.
- **Automatic Set Stop** — for fool-proof accuracy in one-man delivery operations.
- **Fusible Link Attachment for Faucet** — accomplishes automatic closing in case of fire.
- **Smithway Calibrator** — makes it easy to perform hairline adjustments without special tools, or product loss.
- **Counters** — choose from horizontal re-set, large numeral reset counters, or combination large numeral counter-ticket printers. Printers for IBM type tickets available.

Through research A.O. Smith *. . . a better way*

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CORPORATION

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A. O. Smith INTERNATIONAL S. A. Milwaukee 1, Wisconsin, U. S. A.

NEW! VERSATILE RACK SELLS MORE TBA!

- ✱ DISPLAYS YOUR HIGH-PROFIT TBA ITEMS!
- ✱ FITTED WITH WHEELS FOR EASY STORAGE!
- ✱ ALL-METAL, DURABLE, ATTRACTIVE!
- ✱ FEATURES HIGH-PROFIT, HIGH-TRAFFIC COCA-COLA!

AVAILABLE ONLY FROM YOUR COCA-COLA BOTTLER

Now the newest of all display racks to help you make more big profits on TBA items! This durable, attractive rack is designed to display your TBA items *together* for better sales appeal. It also helps eliminate scattered, untidy smaller displays.

This rack alone has one more big plus: it combines TBA items with high-profit, *high-traffic* Coca-Cola! This combination helps you make more sales of both! Your Coca-Cola bottler has all the details about the new "Case-Carton-TBA Rack." Call him today for full information.

SELL Coca-Cola

SIGN OF GOOD TASTE

Copyright 1959 The Coca-Cola Company

just off the press

Guardian's 1959 CATALOG for Better Outdoor Lighting

New Lighting Ideas . . . new technical data . . . complete details, specifications and prices about the latest Guardian:

"T" Lights
Floodlights
Panelite and Facade Lighting
Poles and Brackets
Cluster Lights and Accessories

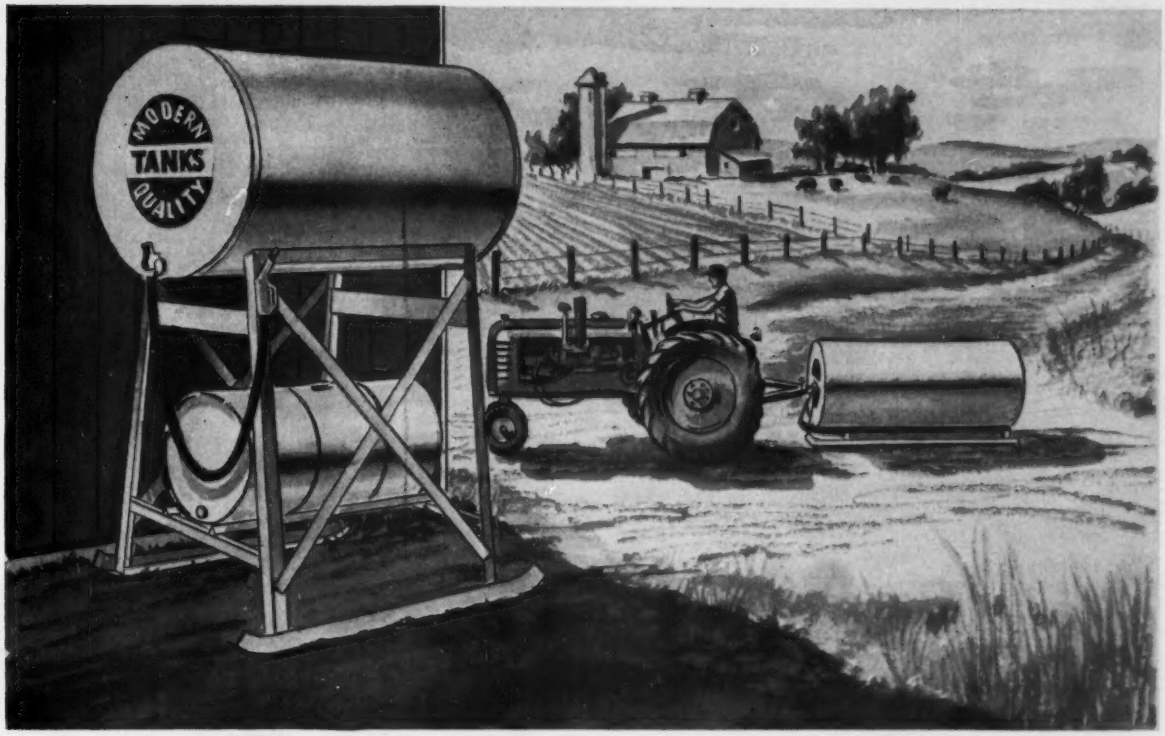
Valuable and Helpful Information—Whether you're modernizing or building a new station

Your copy is ready. Send for it today.

GUARDIAN Light COMPANY
500 NORTH BLVD., OAK PARK, ILLINOIS

The AMERICAN FARMER is an IMPORTANT OIL CUSTOMER . . .

make it easy for him to BUY IT . . . STORE IT . . . USE IT



with modern quality elevated farm storage tanks

The economical handling of fuel and lubricants is an important factor in the conduct of a successful modern farm. Time and money may be saved by the use of adequate portable storage facilities. **modern quality** elevated farm storage tanks provide filling stations when and where they are needed.

The dealer who supplies this equipment is usually the one who gets the business. Fill out the coupon below and drop it in the mail. Let us tell you what **modern quality** Tanks can do for your business.

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incorporated

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☐ Send Free Catalog

☐ Have Representative Call

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ADDRESS_____

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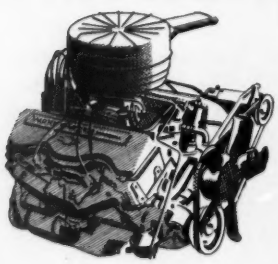
THE BIGGEST SAVING BIG CHEVIES YET!

Here's evidence that the big new haulers of Chevrolet's Task-Force 59 bring you more to work and save with than ever before; proof that they've got more of what it takes to cut your costs and keep you going on runs that call for the best performance a truck can put out!

CHEVROLET

ALL-NEW WORKMASTER SPECIAL V8



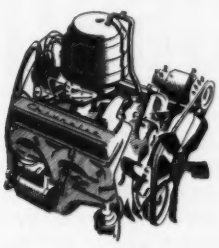
Powerful addition to the heavy-duty engine lineup, this totally new money-saver boosts performance with 348-cu.-in. displacement, 185 h.p. Built for durability and savings on heavy payload runs. Optional* on Series 70 and 80 models.

DURABLE WORKMASTER V8 ENGINE

Modern Wedge-Head design gets maximum mileage from regular fuel. Extra durability comes from heavy-duty pistons, Moraine "400" extreme-duty bearings, induction-hardened crankshaft. The Workmaster V8 is standard in Series 90 and 100; develops 230 h.p. with 348-cu.-in. displacement and 4-barrel carburetion.

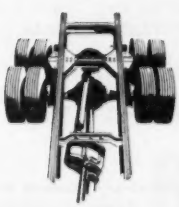
CHEVROLET TASK-FORCE 59 TRUCKS

TOUGH '59 HEAVY-DUTY TASKMASTER V8



Compact and efficient, this V8 is standard in Series 50 and 50H, optional* in 60 and 60H. Develops 160 h.p., 8.0:1 compression ratio, 283-cu.-in. displacement. Heavy-duty components mean less wear—bigger savings.

TWO GREAT TRIPLE TORQUE TANDEMS

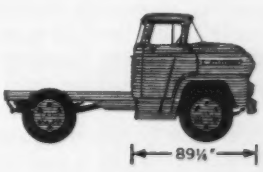


Top tonnage haulers—G.V.W.'s high as 36,000 lbs.! Simplified design, chassis-mounted power divider with 3-speed auxiliary transmission, dual or single axle drive. Tough, durable, yet light in weight for bigger payloads.

NEW 50H AND 60H MODELS

Biggest savers of all big trucks! They spell economy with heavy-duty options*—springs, brakes and axles that boost G.V.W.'s up to 21,000 lbs.; handle hauls that usually require bigger, more costly units.

NEW L.C.F's WITH SPECIAL ADVANTAGES



Compact (89¼", bumper to back of cab) models pull 35-ft. trailers yet keep over-all length to 45 ft. Short wheelbase for tight turns; G.C.W.'s to 48,000 lbs.

NEW MIGHT FOR EVERY BIG TONNAGE HAUL!

New close-ratio 5-speed transmissions* that team with 2-speed rear axles* for maximum over-the-road performance. Your Chevrolet dealer can show you these and other tough, money-saving components in Task-Force 59 trucks.... Chevrolet Division of General Motors, Detroit 2, Mich. **Extra-cost option.*

A maintenance shop by Butler... big in every way except price

Look at the wide open floor space, the solid rows of big overhead doors, the high sidewalls and the unobstructed overhead space. Here's a maintenance shop that's large enough, roomy enough to handle the biggest rigs . . . the longest tankers . . . with ease.

You'd expect a spacious, clear-span building like this to be extremely costly. And, if it had been erected by traditional building methods it would have been. But this maintenance shop is a Butler building.

Every component from the load bearing steel frames to the die-formed cover panels is economically mass produced.

Butler pre-engineering and factory fabrication effects other substantial economies. Because Butler buildings are pre-engineered, much routine engineering and design work is unnecessary. And, precision fabricated components fit together so perfectly that bolt-together assembly methods save weeks and months of construction time.

Maintenance shops are just one of many uses the oil industry has found for Butler buildings. Firesafe, weathertight, economical to maintain or expand, they make excellent offices, warehouses, garages and shelters for valuable equipment.

For full details on Butler buildings, the lowest-cost way to build well, contact your Butler Builder. He's listed in the Yellow Pages under "Buildings" or "Steel Buildings." Financing available. Or write directly to us.

BUTLER STEEL PRODUCTS

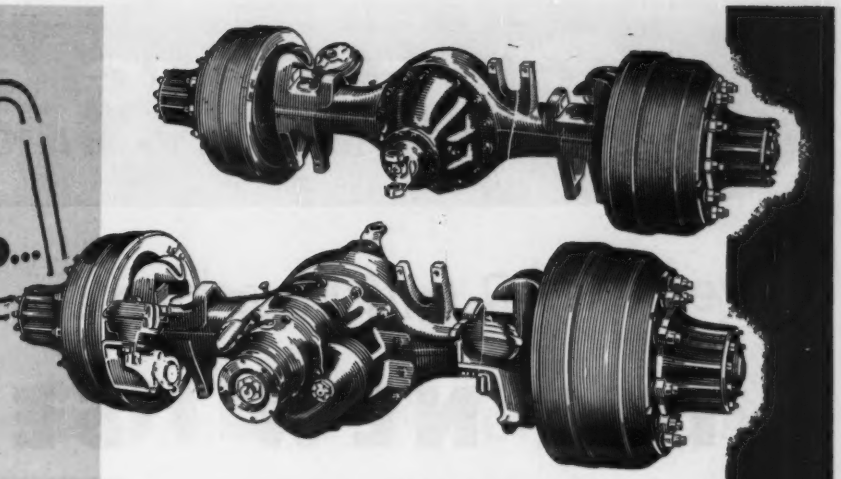
BUTLER MANUFACTURING COMPANY

7454 East 13th Street, Kansas City 26, Missouri

Manufacturers of Metal Buildings • Equipment for Farming, Dry Cleaning, Oil Production and Transportation, Outdoor Advertising • Contract Manufacturing

Sales offices in Los Angeles and Richmond, Calif. • Houston, Tex. • Birmingham, Ala. • Kansas City, Mo. • Minneapolis, Minn. • Chicago, Ill. • Detroit, Mich. • Cleveland, Ohio Pittsburgh, Pa. • New York City and Syracuse, N.Y. • Boston, Mass. • Washington, D.C. • Burlington, Ontario, Canada

PROVED AND PREFERRED...



For three years..

Timken-Detroit® Lightweight Driving Tandems—First Choice With Big Over-the-Highway Operators!

These superior features make the difference:

Lighter than any comparable tandem on the market . . . but a real heavyweight when it comes to service. Besides increased payloads you get long, trouble-free service and lower operating costs. Time-proved, Timken-Detroit Lightweight tandem features include:

Driver Controlled Inter-Axle Differential. Torque is divided equally between axles, yet wheels of one axle can turn faster or slower than wheels of other axle. This means both axles are always doing equal amounts of work. Driving parts and tires last longer.

"In-Line" Propeller Shaft Drive. With straight-through drive, bearing and gear life is greatly increased because universal joint working angles are materially reduced.

Torsion Flow Axle Shafts. More splines, plus greater root and body diameter, add extra strength.

Hot Forged Rectangular-Shaped Axle Housings. Rectangular shape, combined with full strength corner sections, provides the greatest strength with minimum weight and size. Welded on bowl cover prevents leakage.

Hypoid Gears. Larger pinions and greater tooth contact give 30% more torque capacity, top efficiency and long life . . . plus lower maintenance costs.

Unmatched Parts Interchangeability. Most of the wearing parts—gears, bearings, shafts, differentials, brakes—are interchangeable with parts from Timken-Detroit standard single axles. Parts are readily available and less expensive.

WORLD'S LARGEST MANUFACTURER OF AXLES FOR TRUCKS, BUSES AND TRAILERS

TIMKEN Detroit AXLES
ROCKWELL-STANDARD CORPORATION
TRANSMISSION AND AXLE DIVISION
DETROIT 32, MICHIGAN
The Accepted Standard

Products of **ROCKWELL-STANDARD** Corporation

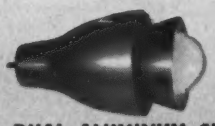
AC SELLING SLANTS

MONEY-MAKING FACTS

AC tells your dealers about

THE NEW "SERVICE LIGHT" PROMOTION

...to lighten their work



DUAL ALUMINUM SHADE! This AC feature eliminates the danger of burns to the user.

RADIATOR CAP ADAPTER! The AC Service Light can be instantly installed on the radiator of the car.

UNIVERSAL ADAPTER! Easily mounted on creeper or work bench, the AC Universal Adapter provides on-the-spot lighting.

With Dealer Order for any 48 AC Spark Plugs!

Every dealer will be enthusiastic about the AC Service Light! It's designed with him in mind so he can use it in any number of convenient ways . . . on the car . . . on the creeper . . . on the work bench! It comes complete with two adapters and a full 18 feet of extension cord, and it works equally well with standard or heavy-duty light bulb. The long, flexible "gooseneck" of the AC Service Light swivels 360° and is vinyl coated.

It's easy for him to own and enjoy the AC Service Light! He orders *any* 48 AC Spark Plugs and receives the Service Light *plus* eight type #46 AC Spark Plugs worth $8.24! The sale of the 8-pac pays for his promotion package.

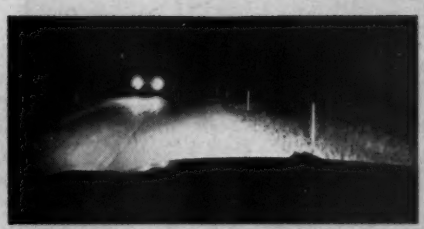
Be sure your dealers are covered!

AC SPARK PLUG ⚛ THE ELECTRONICS DIVISION OF GENERAL MOTORS

OF THE MONTH !

FOR DEALERS

Dealers sell more Headlamps when they have these GUIDE T-3 *Powerbeam* 50 HEADLAMPS



With older seven-inch lamps, potential road hazards are not sharply defined.

New Powerbeam 50 Headlamps clearly show warning sign, bridge abutment and other hazards.

The ideal replacement for 2-headlamp cars!

Now, when days are short and nighttime driving hours are the greatest, be sure your dealers have Guide T-3 Powerbeam 50 Headlamps in stock. Don't miss sales.

Calling 2-headlamp system car owner's attention to the new, improved headlamp makes sales! The new lamp increases safety with *more* light—*aimed* right . . . You get 50 additional feet of light on lower beam alone . . . You get full 50-watt light strength on *both* upper and lower beam.

This is the right light. It's mechanically aimable even in daylight. Brings dual-lamp system benefits to owners of older cars. See that your dealers get the extra business.

AC

CALL YOUR REGULAR AC SUPPLIER TODAY!

Has a thrifty way with fuel!

That efficient power plant under the Dodge hood is the reason. For whether you choose one of the famous Dodge L-head Six engines or a husky Dodge V-8, this rugged D500 tanker has the power to make on-time deliveries routine—on the slimmest regular-gas diet!

Your Dodge truck is easy on the driver, too. Gear-before-axle steering, new hydraulic-actuated clutch, rear-shackled front springs and oversized brakes make it equally easy to pilot on the open road or in a snug delivery spot.

More specifics? Call your Dodge dealer. He'll give you *all* the reasons why . . .

today,
it's real smart
to choose **Dodge Trucks**

Whether your hauling destination is cross-town or cross-country, you'll find a dependable Dodge truck to suit the job. Over 140 basic models from 4,250-lb. G.V.W. pick-ups to 65,000-lb. G.C.W. Power Giants like this.

Whatever you **can** ...

can with CROWN

Whether it be for home or industry—it's that *extra* touch of personal service that CROWN provides.

CROWN offers quality containers—to withstand the chemical composition of any contents . . . complete package design and merchandising assistance . . . modern lithography equipment and techniques . . . and experienced research and engineering service. Plants and offices in 18 strategic locations.

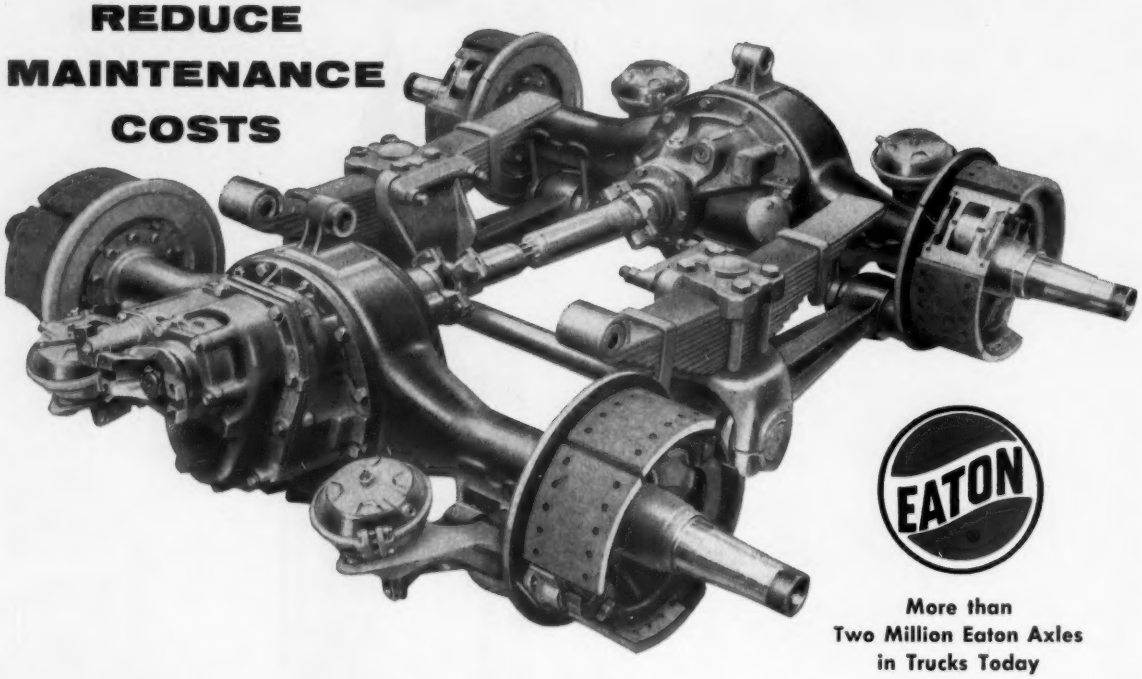
Write for your copy of "MR. PACKAGER"—information on CROWN's precise fill control system. Crown Cork & Seal Company, Inc., Can Division, 9300 Ashton Road, Philadelphia 36, Pa.

whatever you can . . . call on CROWN

CROWN CORK & SEAL COMPANY, INC.
MANUFACTURERS OF CLOSURES, CONTAINERS AND MACHINERY

NEW EATON TANDEMS haul more legal payload—

REDUCE MAINTENANCE COSTS



More than
Two Million Eaton Axles
in Trucks Today

EATON TANDEMS effect important savings in overall length and gross vehicle weight—permit the hauling of maximum legal payload. While saving some 400 pounds of weight (in the 38 Series), Eaton has actually achieved *greater strength* through improved design and metallurgy and the use of Eaton Inductalloy Axle Shafts.

This greater stamina—plus simpler construction, fewer parts, and easier servicing—means lower maintenance cost.

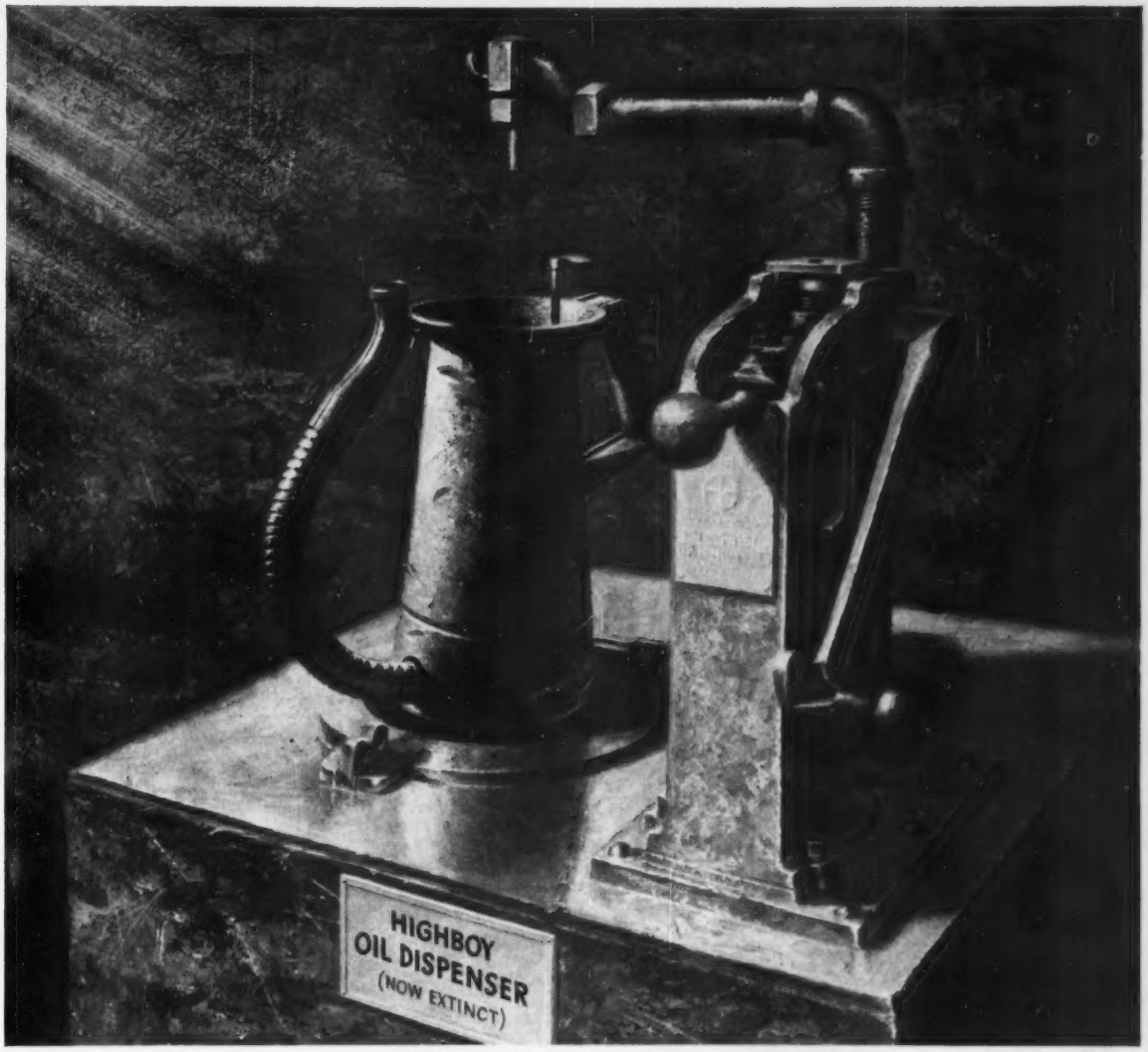
Although announced only six months ago, the outstanding performance and dependability of these new Eaton Tandems have been proved conclusively, both in the testing laboratory and when subjected to the severe conditions of heavy-duty hauling. They are available with single reduction, two-speed, or planetary double reduction axles, in a wide range of gear ratios. Ask your truck dealer for complete information.

- ★ Save more than five inches in OAL*
- ★ Save 400 pounds of GVW*
- ★ Simpler, more compact design
- ★ Fewer parts
- ★ Easier servicing
- ★ Inter-axle differential with lock
- ★ Inductalloy Axle Shafts

*38 Series

EATON — AXLE DIVISION — MANUFACTURING COMPANY
CLEVELAND, OHIO

PRODUCTS: Engine Valves • Tappets • Valve Lifters • Valve Seat Inserts • Jet Engine Parts • Gears • Hydraulic Pumps Truck & Trailer Axles • Truck Transmissions • Permanent Mold Iron Castings • Automotive Heaters & Air Conditioners Fastening Devices • Cold Drawn Steel • Stampings • Forgings • Leaf & Coil Springs • Dynamatic Drives & Brakes



Where would museums be...without progress!

Remember the highboy? It was used at service stations to pump oil for cars. It's now long departed—a curiosity piece of a bygone motoring age.

And progress (Canco progress) put it there. The now-familiar motor oil can, originated by Canco, made the inefficient highboy obsolete. Canco also introduced an ingenious dispenser to make opening and pouring quick and easy.

Today, the round motor oil can is the accepted standard of the industry.

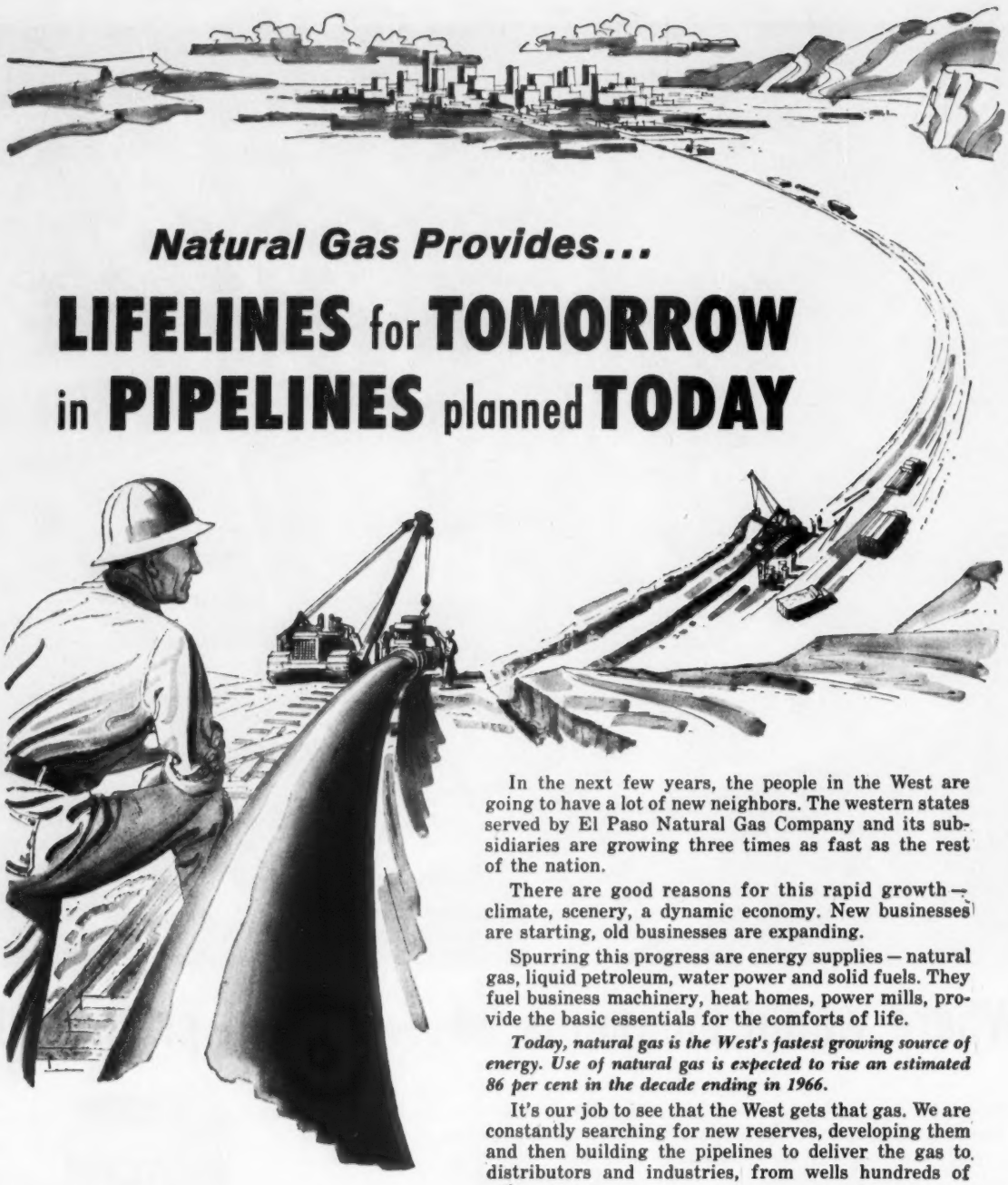
Motorists take for granted that oil will be clean, unadulterated—refinery pure. And that's what they get—thanks to American Can Company!

* * *

Canco continually searches for the new and better. Ingenuity and inventiveness —so characteristic of Canco—are always at work. You can expect, in the years ahead, that Canco will open new and important areas for your industry and the consumers you serve.

CANCO Division AMERICAN CAN COMPANY

New York · Chicago
New Orleans · San Francisco



Natural Gas Provides...

LIFELINES for TOMORROW in PIPELINES planned TODAY

In the next few years, the people in the West are going to have a lot of new neighbors. The western states served by El Paso Natural Gas Company and its subsidiaries are growing three times as fast as the rest of the nation.

There are good reasons for this rapid growth — climate, scenery, a dynamic economy. New businesses are starting, old businesses are expanding.

Spurring this progress are energy supplies — natural gas, liquid petroleum, water power and solid fuels. They fuel business machinery, heat homes, power mills, provide the basic essentials for the comforts of life.

Today, natural gas is the West's fastest growing source of energy. Use of natural gas is expected to rise an estimated 86 per cent in the decade ending in 1966.

It's our job to see that the West gets that gas. We are constantly searching for new reserves, developing them and then building the pipelines to deliver the gas to distributors and industries, from wells hundreds of miles away.

This effort pays off in the assurance that years in the future — even with demand growing at a record pace — the West will have the *energy supplies* essential for continued growth.

EL PASO NATURAL GAS COMPANY

Common Stock listed on the New York Stock Exchange, Midwest Stock Exchange and Pacific Coast Stock Exchange.

Registrars: *New York*, City Bank Farmers Trust Company; *Chicago*, The First National Bank of Chicago.

Transfer Agents: *New York*, The Chase Manhattan Bank; *Chicago*, Continental Illinois National Bank and Trust Company of Chicago.

COLORS

in fluid form

DYE CONCENTRATES*

by **PATENT CHEMICALS**

the Pioneers in Petroleum Dyes

FOR CLEANER, EASIER COLORING OF PETROLEUM PRODUCTS; ELIMINATES PRE-DISSOLVING, DUSTING, OPERATOR EXPOSURE • LESS SKILL AND EQUIPMENT REQUIRED: INTRODUCED DIRECTLY INTO THE FINISHED PRODUCT • THE ANSWER TO BULK, TANK TRUCK, TANK CAR, BARGE, TERMINAL AND PIPELINE COLORING • CAN BE USED WITH DRY DYE EDUCTOR EQUIPMENT • THE USE OF DYE CONCENTRATE INVOLVES NO ADDITIONAL COST COMPARED TO ORDINARY DRY DYES.

FOR USE IN

Gasolines — Diesel Fuels — Fuel Oils — Lubricating Oils
Automatic Transmission Fluids — Break-in Oils and Greases

Also Available in Dry Dye Form.

Dye concentrates can be prepared to customer specifications.

•

Samples and description upon request.

PATENT CHEMICALS, INCORPORATED

MANUFACTURERS OF DYES AND CHEMICALS FOR THE PETROLEUM INDUSTRY

CALL US COLLECT FOR FAST ACTION

•

PHONE MUlberry 4-1726-7

NOTE: — *Reds — Yellow — Orange — Blue — Meet Mil-F-5572 Specifications*

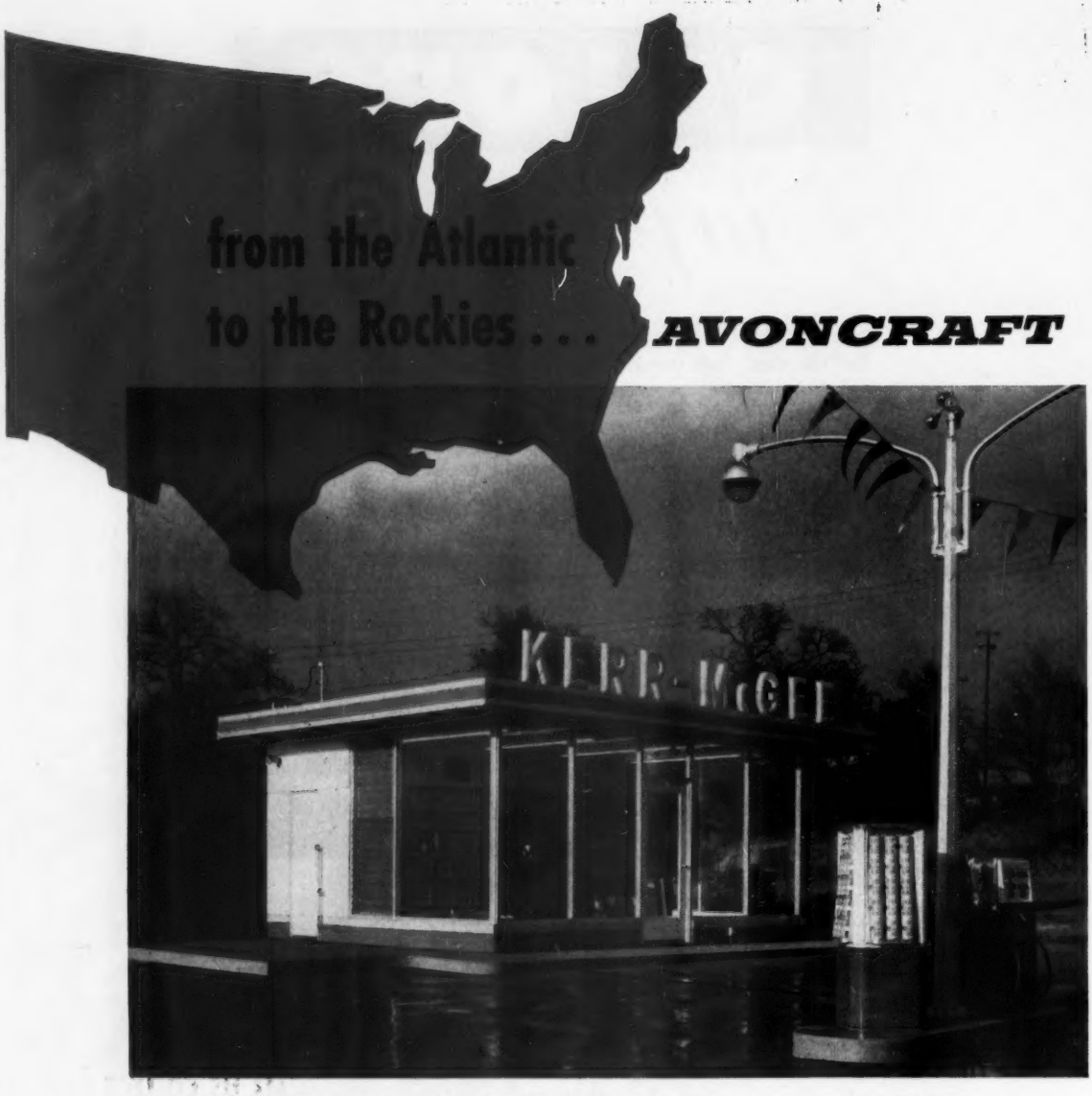
*Patent Pending

PATENT CHEMICALS INC.

Manufacturing Division: 335 McLean Blvd., Paterson 1, New Jersey

PATENT FUELS & COLOR CORP.

Marketing Division: 2410 Carew Tower, Cincinnati 2, Ohio

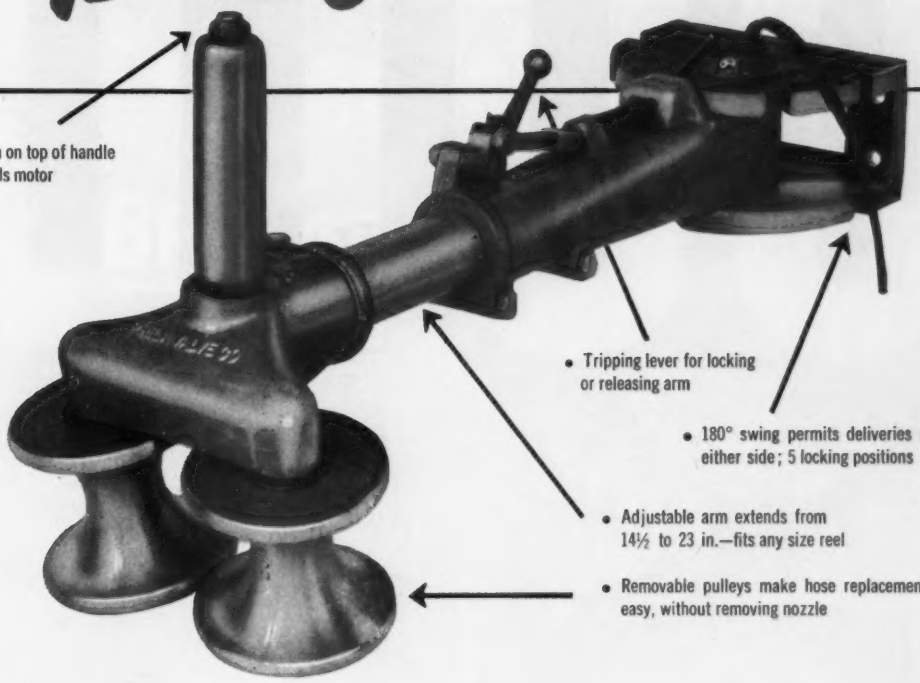


From the Rockies to the East Coast—you will see service stations that bear the Avoncraft mark of *function* and *lasting beauty*. This particular "package" design is a compact, all-porcelain *sales office without bay* located in Oklahoma. Units of this type are new, and can be erected in from 3 to 6 days—the faster erection time bringing you an early bonus of increased gallonage. All Avoncraft buildings are all-porcelain, your *best buy* for the future!

Write for our new brochure, in full-color.

Avoncraft
a division of
AVONDALE
MARINE WAYS, INC
VERSATILE BUILDER ON THE MISSISSIPPI
P. O. BOX 1030 • PHONE UNiversity 6-4561 • NEW ORLEANS 8, U. S. A.

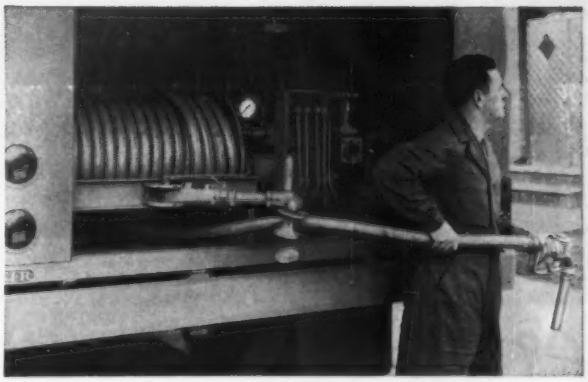
Best FOR YOUR NEEDS


• Button on top of handle controls motor
• Tripping lever for locking or releasing arm
• 180° swing permits deliveries from either side; 5 locking positions
• Adjustable arm extends from 14½ to 23 in.—fits any size reel
• Removable pulleys make hose replacement easy, without removing nozzle

Fully adjustable hose guide cuts delivery time, lengthens hose life

More deliveries per hour! Less wear and tear on hose! Guided unwinding and level rewinding! You get all these —on new or old trucks—with the Philadelphia Valve hose guide! Ball-bearing rollers can be removed to permit replacement of hose and the symmetrical rollers can be inverted to double the life of the flange. Arm swings out of the way when traveling, locks in any one of five positions when in use. Adjustable arm length permits its use on any size reel, guides hose around corners of truck. Unit weighs only 14½ lb., withstands a 500-lb. pull.

Rugged construction means long life that virtually assures freedom from replacement costs. Control wires are fully enclosed to prevent cutting by hose. Write to us or your distributor for full details.

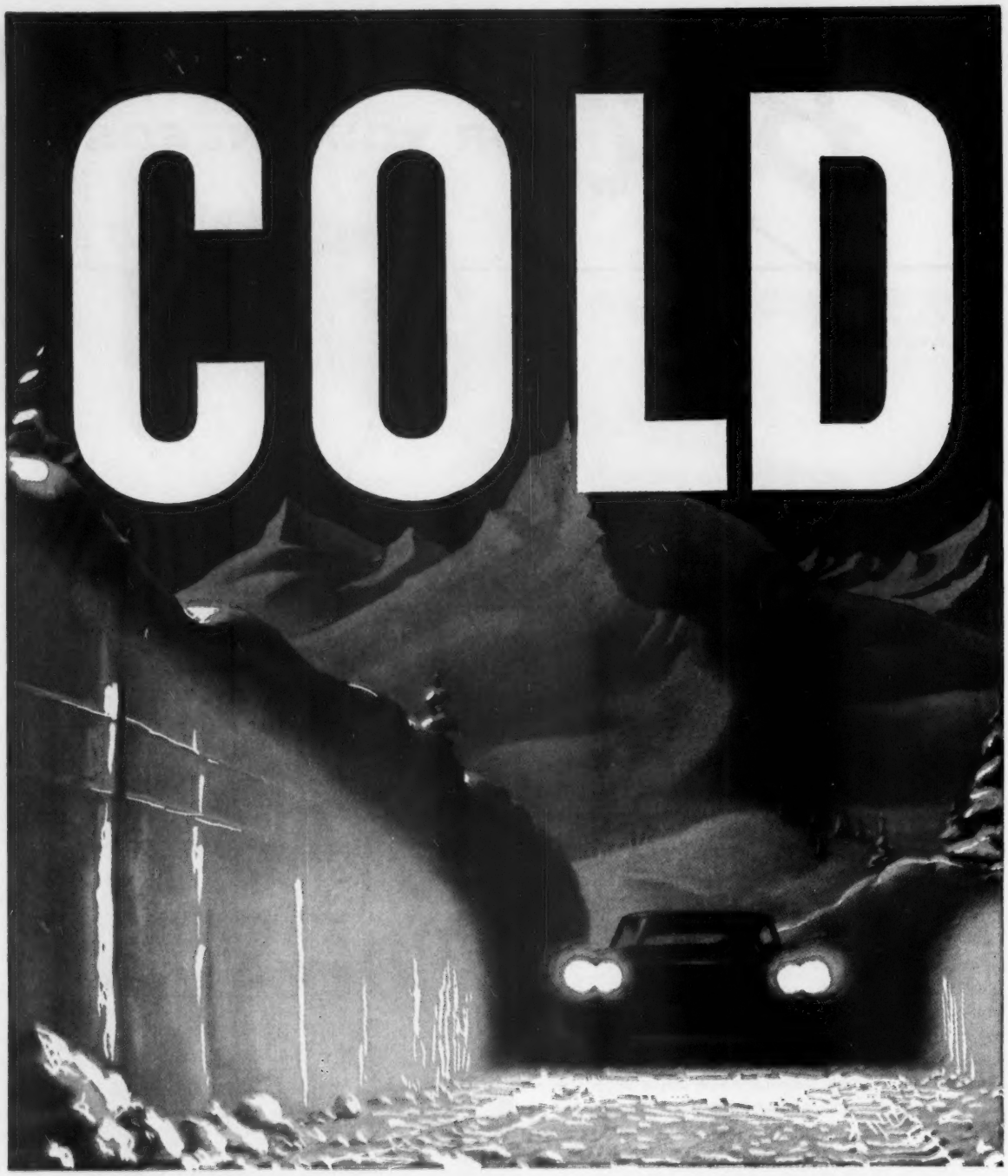


PHILADELPHIA VALVE COMPANY

ARAMINGO AVENUE AND EAST TIOGA STREET, PHILADELPHIA 34, PA.

DISTRIBUTORS

NORTHEASTERN PETROLEUM SERVICE & SUPPLY, INC., 37 BROOKLEY ROAD, JAMAICA PLAIN 30, MASS. • OIL MARKETING EQUIPMENT COMPANY, 325 FREMONT STREET, SAN FRANCISCO 5, CALIF. • HOWARD SUPPLY COMPANY, 5125 SANTA FE AVENUE, LOS ANGELES 11, CALIF.



OR HOT... PARATONE-BLENDED OILS DO THE JOB!

Driving conditions—whether in sub zero temperatures—or in blazing summer heat, demand the most from lubricating oils. Oils blended with Enjay Paratone® viscosity index improver remain free flowing all winter long—and provide instant lubrication when starting up. And yet when engine temperatures soar, these same Paratone-blended oils stand up and refuse to thin out.

Enjay has developed the only complete line of high quality additives (Paramins®). To meet the most exacting lubrication specifications, insist on Enjay Paramins.

ENJAY

Pioneer in Petrochemicals

ENJAY COMPANY, INC., 15 West 51st St., New York 19, N. Y. • Akron • Boston • Charlotte • Chicago • Detroit • Los Angeles • New Orleans • Tulsa

Eliminate

"SHUT-OFF RISK" of STATION INCOME

with **dependable**

BRUNNER
SINCE 1906

SINCE 1906

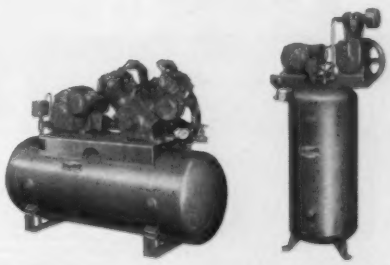
air compressors

Most service stations use compressed air for at least 32 jobs.

Breakdown of compressed air source, even for a short time, takes a healthy 32 time whack at income.

Operating with dependable Brunner air equipment is good insurance against "station income shut-off".

Brunner service station Air Compressors feature "slow speed" design for less wear of moving parts and longer life. H. P. range from ¼ through 50. Horizontal, vertical or remote tank models for start-stop or continuous operation. It will pay to get Brunner story and prices before placing your next air compressor order.



SEND FOR BRUNNER AIR COMPRESSOR CATALOG #36
DETAILING THE *NEW* BRUNNER LINE.

If you use Air, you'll do better with Brunner

BRUNNER DIVISION
DUNHAM-BUSH, INC.

WEST HARTFORD 10 • CONNECTICUT • U. S. A.

DUNHAM-BUSH

AIR CONDITIONING • REFRIGERATION • HEATING • HEAT TRANSFER

WEST HARTFORD, CONNECTICUT • MICHIGAN CITY, INDIANA
MARSHALLTOWN, IOWA • RIVERSIDE, CALIFORNIA

DUBSIDIARIES

"We get over 300,000 miles from our Ford Heavies"

Says Grady Doss
Doss Transport, Inc.,
Eupora, Miss.

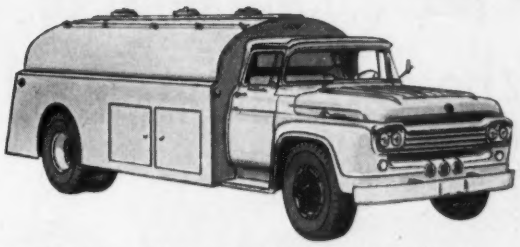
"And we spend less on repairs. In 235,000 miles our parts and labor cost on an F-800 tractor was less than $500.

"We're 100% Ford on our over-the-road transports for many reasons. Ford Heavies are priced right, and we think we buy more truck per dollar with Ford than with any other make.

"Not only do our Fords run at least 300,000 miles before we trade them off, but they usually chalk up 139,000 to 144,000 miles before any engine work is needed. When repairs are necessary Ford parts cost us less, and the trucks are easier to work on.

"Our new '59 Ford F-850 hauls a 5000-gallon gasoline or fuel oil transport. It, like all our Fords, is very popular with our men. They sure praise Ford's handling ease and riding comfort."

GO FORD-WARD for savings with '59 Ford Trucks!



NEW FORD F-700 with tank body provides big payloads and outstanding economy. Maximum GVW 22,000 lb.

Whatever your job . . . wherever you do it—you'll find Ford Heavies and Extra Heavies are engineered and built to do it better! Whether your job calls for an F-850 model, like the Doss Transport, Inc., tractor, or an F-700 straight truck shown above . . . you'll be ahead with a Ford! And the '59 improvements in these models will bring still more benefits to your operation.

Greater operating economy with new, faster rear axle ratios and wider choice of transmissions.

More efficient parking brake of the internal expanding type has approximately 50% greater stopping and holding ability, requires less than half the operating effort needed for the previously used type.

Increased payloads and longer axle life with new, higher-capacity front and rear axle options.

Factory installed tractor package custom-fitted to Ford trucks for more dependable and safer braking.

Yes, the new '59 Ford trucks are here to take you *Ford*-ward for savings, *Ford*-ward for modern style and stamina. See your Ford Dealer today!

FORD TRUCKS COST LESS

LESS TO OWN . . . LESS TO RUN . . . LAST LONGER, TOO!

Picture yourself in petroleum

Can you be dressed in oil? Certainly . . . from head to foot you can wear products that start with petroleum — even to perfume.

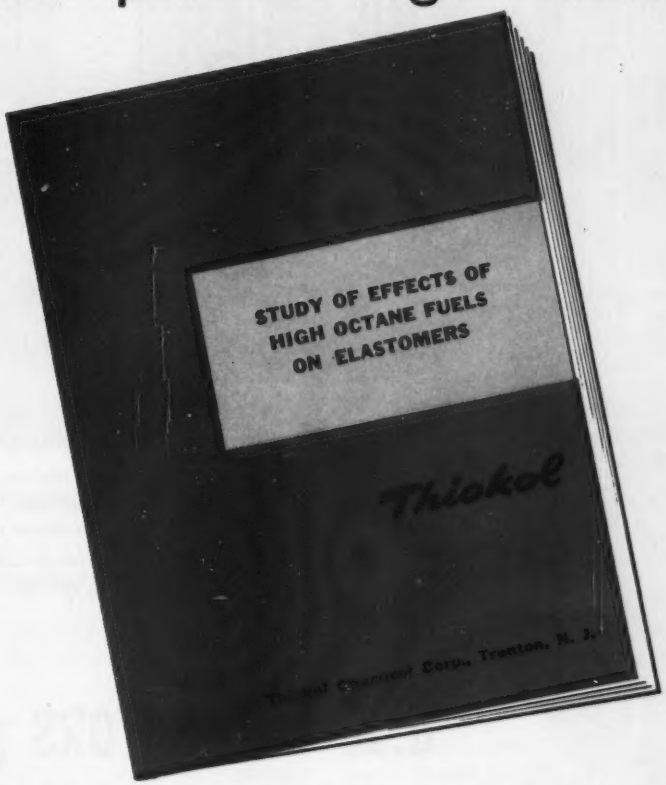
Petrochemicals are being put to almost endless uses—from lipstick to nylons, from detergents to vitamins. They dress you, help with the housework, keep you warm, protect your food, contribute to your recreation.

Standard pioneered in petrochemicals. From our millions of dollars invested in research came the basic chemicals for the first household and industrial detergents and the raw material for a new, miracle wrinkle-resistant fabric, creating whole new industries. As a major producer of the world's petrochemicals, our investment is continuing to provide new and better products for the benefit of everyone.

Petrochemicals are part of your life . . . *clothing, blankets, rugs, upholstery fabrics . . . shoes, hats . . . cleansers, polishes . . . cosmetics, drugs, germicides . . . paint, printing ink, floor coverings . . . plastics, adhesives, packaging and photo film . . . racquet strings, phonograph records, fishing lines . . . and many other useful products.*

STANDARD OIL COMPANY OF CALIFORNIA *plans ahead to serve you better*

Research Underscores Need of New Approach to Manufacture of Hose and Other Rubber Equipment Exposed to High Octane Gasoline



Laboratory study shows dangerous degradation of present elastomers under new aromatic fuels

The trend to higher octane gasolines dictates a re-evaluation of rubber requirements – in the petroleum field – at refinery, transportation and service station levels. Exhaustive tests by THIOKOL point up the need.

Six different types of synthetic rubber now widely used – including THIOKOL ST and FA polysulfide crudes – were used for the tests. Immersed in fuels of varying aromatic content, from 25% to 100%, the elastomers were measured for volume swell, tensile strength, and low temperature properties. Most synthetics showed a marked reduction in physical properties and serviceability, while the THIOKOL crudes satisfactorily resisted "high octane rot."

The detailed results of this THIOKOL study hold great significance for suppliers in the rubber industry. Coupon will bring you a copy of the complete report.

FOR MORE INFORMATION:
Mail coupon to Dept. 82, Thiokol Chemical Corp., 780 N. Clinton Ave., Trenton, N. J. In Canada: Naugatuck Chemicals Division, Dominion Rubber Co., Elmira, Ontario.

Gentlemen: Please send me a complete report of your aromatic fuel study.

Firm_____

Street_____

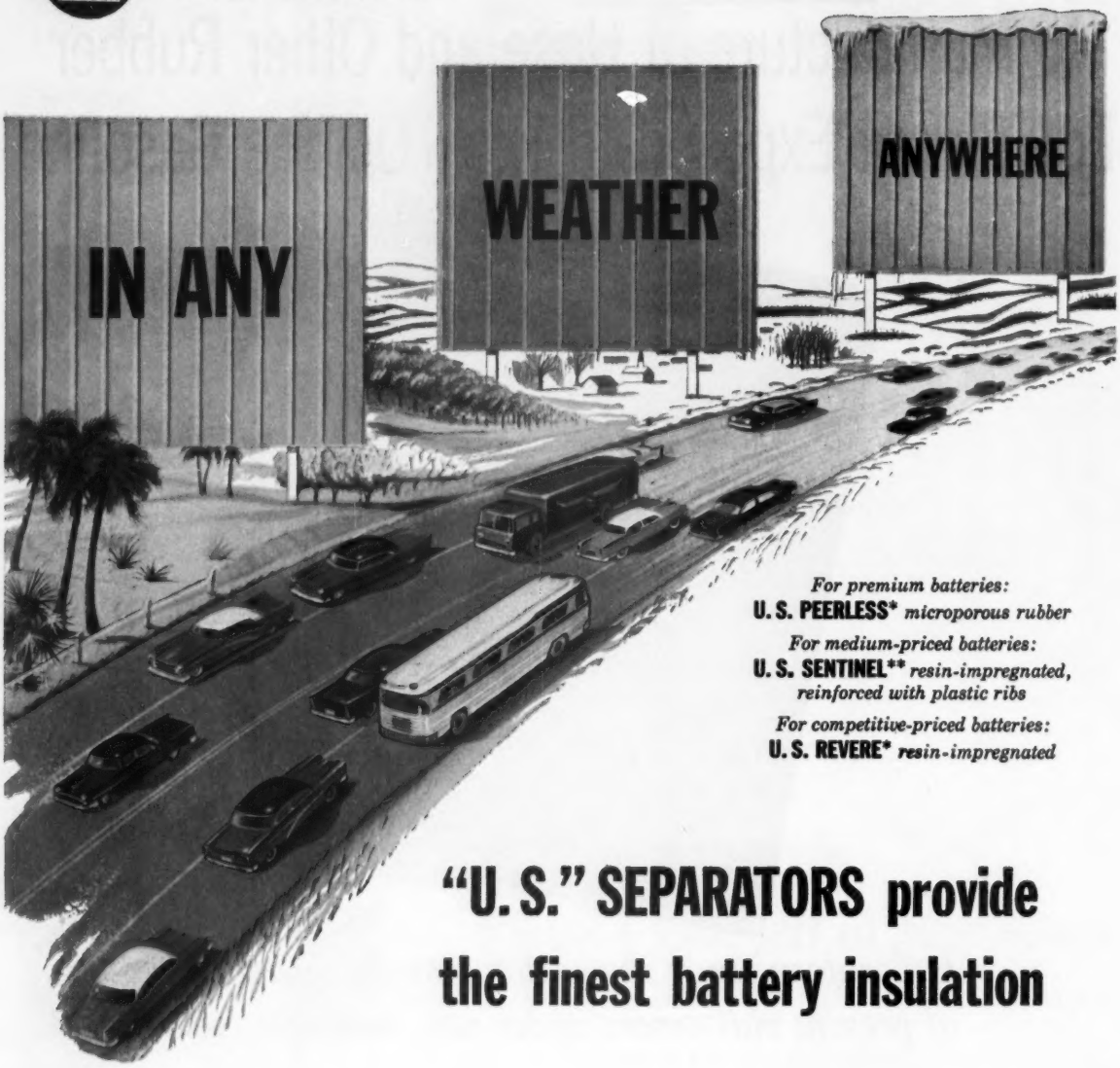
City_____ State_____

Your Name_____

Thiokol®
CHEMICAL CORPORATION

®Registered trademark of Thiokol Chemical Corp. for its liquid polymers, synthetic rubbers, rocket propellants, plasticizers and other chemical products.

BATTERY SEPARATORS



For premium batteries:
U. S. PEERLESS* *microporous rubber*
For medium-priced batteries:
U. S. SENTINEL** *resin-impregnated, reinforced with plastic ribs*
For competitive-priced batteries:
U. S. REVERE* *resin-impregnated*

"U. S." SEPARATORS provide the finest battery insulation

U. S. Rubber Peerless Separators are especially valuable in protecting batteries during summer or tropical heat, keeping them at their peak for the freezing weather when full power is needed to turn over the motor. Overcharging, concentrated battery acid or plate pressures *never* damage these separators. The superior features built into them prevent disintegration.

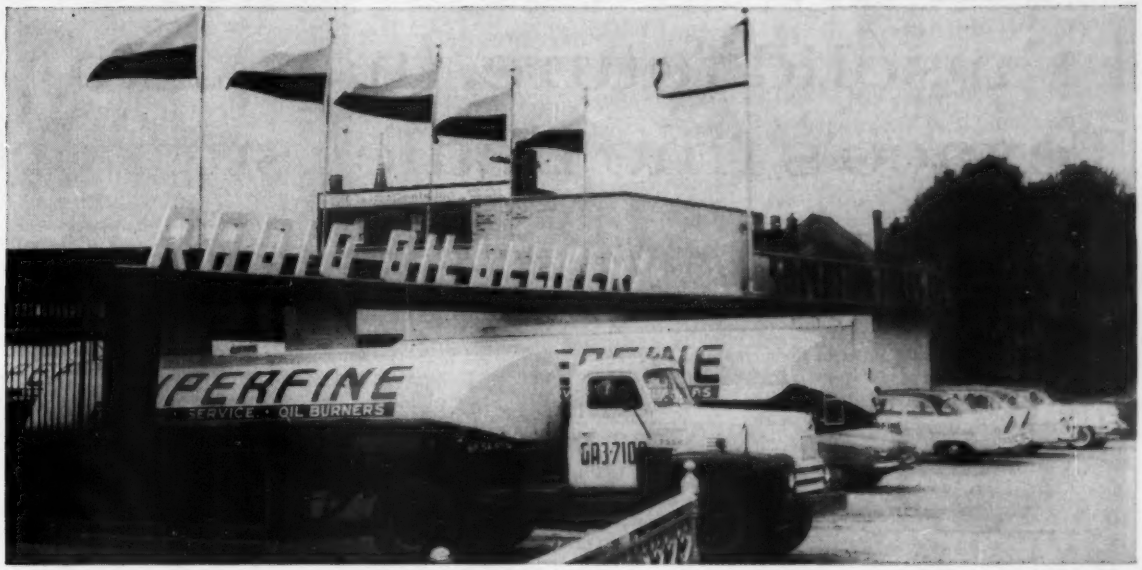
U. S. Rubber is the world's largest producer of battery separators—*it is your best source of supply* in every price range. Write United States Rubber, Rockefeller Center, New York 20, N. Y.

*Patented
**Patent applied for

Mechanical Goods Division
United States Rubber

See things you never saw before. Visit U. S. Rubber's New Exhibit Hall, Rockefeller Center, N.Y.

SUPERFINE FUELS COMPANY CUTS COSTS— INCREASES CAPACITY WITH MARLOW®



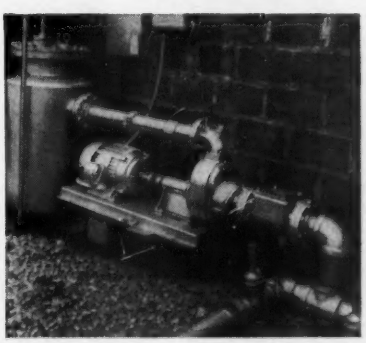
Two New Pumps Replace Five Positive Displacement Units

The Superfine Fuels Company of Philadelphia, Pennsylvania, is one of the largest home fuel oil retailers in the area. Owned by Joseph Goldenburg, the firm operates 36 trucks from its bulk plant at Lawrence St. & Erie Ave.

The plant is equipped with an underground capacity of 160,000 gallons of #2 fuel oil. Until recently, five positive displacement pumps, totalling less than 750 gallons-per-minute capacity, served the loading racks. Two new Marlow Pumps, having a total capacity of 950 gpm, replaced these old units. The new Marlows, a 425EL and a 32 HELP-13, using less than *half the horsepower* than the old pumps, *increased loading capacity almost 27%!*

The performance of the Marlow bulk plant pumps was so excellent that Mr. Goldenburg is presently converting his truck fleet from rotary type to Marlow Self-Priming Pumps. He expects that the change-over will enable him to increase the number of stops per truck.

If you have a problem of improving plant efficiency and cutting operating expenses, look to Marlow for help. Marlow builds a complete line of petroleum handling pumps for bulk plants, home delivery trucks and transports. See your Marlow dealer today for details or write direct for Bulletin PM06.



Replacing positive displacement pumps, this single Marlow 32 HELP-13 uses less horsepower than old units yet increases capacity from 300 to 350 gpm.

This Marlow 425EL self-primer installed at Superfine Fuels Company pumps from underground tanks at 600 gpm to speed truck filling.

Marlow PUMPS®

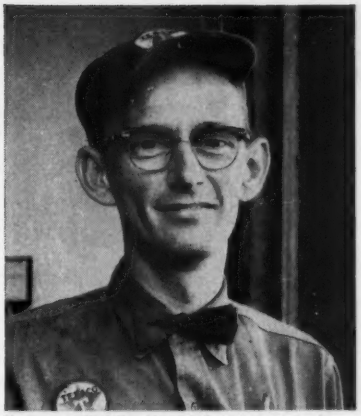
MARLOW PUMPS®
DIVISION OF BELL & GOSSETT CO.
Midland Park, New Jersey
Morton Grove, Illinois • Longview, Texas

9-314

"I'm my own boss and have a solid future, thanks to Texaco's fine Dealer support"

says Texaco Dealer S. S. Adair, Jr.

Mr. Adair and his family relax in their comfortable home.



Successful Dealer Adair has a modern Texaco station located in a suburb of Minneapolis. He works hard – but he *makes good money* in a business with a solid future.

"TWELVE years ago I decided to change to Texaco, and it was a sound, profitable decision," says Mr. Adair, who operates a busy station in Minneapolis, Minn.

"In that time, I have learned that Texaco gives its Dealers the cooperation and friendly help that mean so much to the success of a station. Without exception, I have found the Texaco people always ready to help when a problem pops up.

"Then, too, Texaco's aggressive advertising and promotion bring many new customers into my station, and remind old customers when it is time for a seasonal check-up of their cars. This is mighty profitable for the Dealer, as is the credit card business we get from touring motorists from all the states.

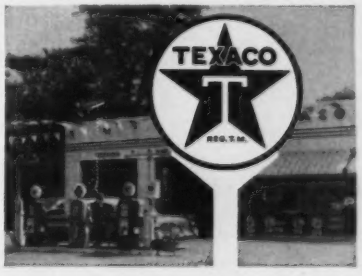
"To any man interested in going into his own business, I say — talk with the Texaco people."

6 REASONS WHY YOU CAN MAKE MONEY AS A TEXACO DEALER

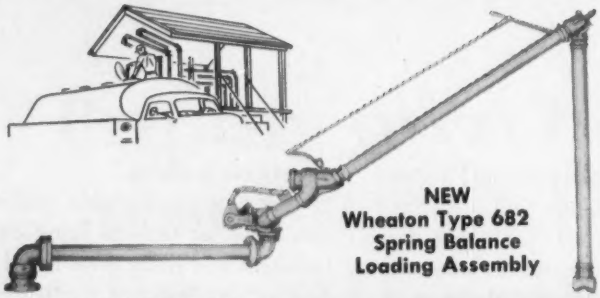
1. *The best* petroleum products, known and accepted by car owners in all 48 states. Continuous research and development insure that Texaco will always have outstanding products.
2. *The best* and biggest national advertising program...constantly selling Texaco Dealers to car owners everywhere.
3. *The best* point-of-sale promotion material to help bring customers in and bring them back!
4. *The best* customer credit card — in fact, the only petroleum credit card honored under one sign in all 48 states . . . and in Canada, too.
5. *The best* retailer policy — Texaco helps its Dealers to market nationally-advertised and accepted TBA products.
6. *The best* opportunity to cash in on "touring" business — because Texaco customers at home like to stop at Texaco stations when on the road. This means you have more than 40,000 other Texaco Dealers helping you.

The Texas Company

A solid future is one of the advantages of being a Texaco Distributor or a Texaco Dealer. Proof: 683 of our Distributors have been with us for 20 years or more – some as long as 45 years. 20,096 Texaco Dealers have been with us for 10 years or more – some more than 45 years. There may be an opportunity for you in the Texaco family. Get in touch with the Texaco Division Office nearest you.



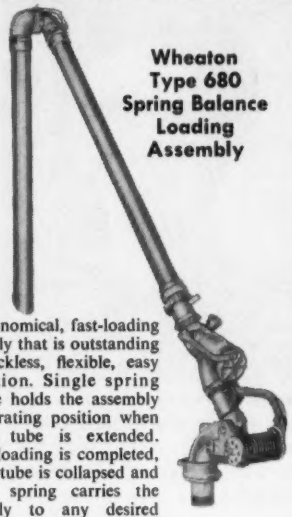
Division Offices: Atlanta, Georgia; Boston 16, Massachusetts; Buffalo 5, New York; Butte, Montana; Chicago 4, Illinois; Dallas 1, Texas; Denver 3, Colorado; Houston 2, Texas; Indianapolis 1, Indiana; Los Angeles 5, California; Minneapolis 3, Minnesota; New Orleans 16, Louisiana; New York 17, New York; Norfolk 2, Virginia; Seattle 1, Washington.



NEW
Wheaton Type 682
Spring Balance
Loading Assembly

This new loader combines long range with great flexibility and economy. Its 11 foot extension gives 20 foot range between manhole covers. During loading, assembly remains in tank manhole without being held down; when loading is completed, pre-set spring balance carries assembly to any desired angle from 10° to vertical. Does not require a sliding tube.

One of these Wheaton Loaders will exactly fill your needs

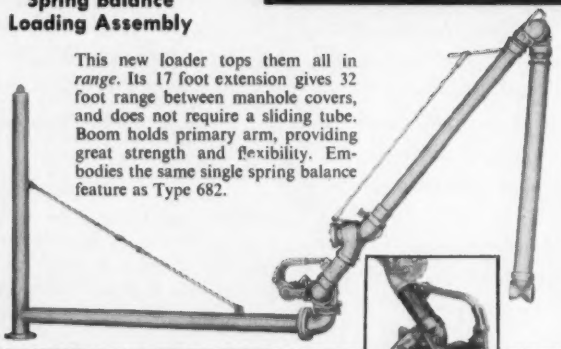


Wheaton
Type 680
Spring Balance
Loading
Assembly

An economical, fast-loading assembly that is outstanding in shockless, flexible, easy operation. Single spring balance holds the assembly in operating position when sliding tube is extended. When loading is completed, sliding tube is collapsed and pre-set spring carries the assembly to any desired angle from 10° to vertical.

NEW
Wheaton Type 682-B
Spring Balance
Loading Assembly

This new loader tops them all in *range*. Its 17 foot extension gives 32 foot range between manhole covers, and does not require a sliding tube. Boom holds primary arm, providing great strength and flexibility. Embodies the same single spring balance feature as Type 682.



Wheaton Type 683
Spring Balance
Loading
Assembly

This loader has the same features and equipment as Type 680, but the mounting is inverted. It is designed especially for mounting directly from overhead tanks or overhead piping, and is ideal for smaller bulk plants.

Type 641 Spring Balance assures great flexibility and balance

Both the main counterbalance torsion spring and the snubber spring are made of the finest selected S.A.E. 1065 tempered M.B. spring material, and in a recent independent laboratory test this unit was subjected to a three week actuation test of approximately 18,000 - 120° movements, with no adjustments required for loss of spring life. This Wheaton feature is one of the most important developments in loading equipment—and one of the reasons why these *precision* loaders offer you so much more for your equipment dollars. Send for Catalog No. 65, which describes the full line.

Available in brass, aluminum and steel, for petroleum, chemical and petrochemical specifications. 2", 2½", 3" and 4" sizes; Teflon, Viton and all synthetic packings available.

WHEATON BRASS WORKS, UNION, N. J.

Manufacturers of Loading Arm Assemblies, Swing Joints, Loading Valves, Storage Tank Fittings and Truck Tank Equipment For the Petroleum and Chemical Industries

Foreign Manufacturers

Emco Limited, London, Ontario, Canada • Emco Brass Mfg. Co. Limited, Margate, Kent, England
Worthington Corporation, Rio De Janeiro, Brazil, S.A.

Loading Arm Assemblies by Wheaton

the best by every standard

2 IN THE SPACE OF 1

NEW "TWOSOME" IS ONLY 2 FEET WIDE

When you install a new Gilbarco "Twosome" on an island it occupies *exactly* the same space as a single pump but increases serving capacity with two hoses instead of one. Deliver both regular and premium from this compact pump, or with the single product "Twosome" serve one grade from both hoses. Without adding an inch of island area you can double the gasoline sales potential of your stations. Write today for *complete* information.

- Model 1124 for two products
- Model 1114 for one product
- Mono-Frame construction
- Same height, depth and *width* as a single pump
- Both sides of island served by *both* hoses cable-suspended 13'-3" long

Gilbarco

GILBERT & BARKER
Manufacturing Co.
West Springfield, Mass.
Toronto, Canada

Upswept Double Davit poles with 15-degree upward tilt permit wide spread of light over pump islands and service areas.

Horizontal Double Davit poles may be mounted individually or end to end.

Unique pole design gives pump islands an unusual, attractive appearance

More than mere supports for island lights, the Revere Double Davit island light poles are an integral part of an extremely attractive, attention-drawing lighting installation. The installation has the particular advantage of spreading light over the entire island and service area without interfering with gasoline pumps.

Free-flowing, simple lines of the Double Davit poles blend pleasingly with the modern lines of fluorescent luminaires. A pleasing architectural addition to a service station, they were designed specially for use with Revere's 9700-VH Series Fluorescent Island Lighters.

Two types of poles are available which permit luminaires to be installed horizontally or with a 15-degree upward tilt. The horizontal-mounting poles are placed parallel to the pump island, singly or in tandem. The upswept poles are placed in the center or at either end of the pump island and can be parallel or at right angles to the island.

Air and water outlets are provided in the enclosed lower section which has a large removable cover for easy access to all wiring and piping connections. Kits for the air and water connections are available and include all the necessary copper tubing, brass fittings, hose hooks and accessories.

Write for complete information on the Double Davit poles and on the Revere 9700 Series Fluorescent Island Lighter.

Revere ELECTRIC MFG. CO.

OUTDOOR LIGHTING

Revere Electric Mfg. Co. • 7420 Lehigh Avenue • Chicago 48, Illinois (In suburban Niles)
Long Distance Phone: NIles 7-6060 • Chicago Phone: SPring 4-1200 • Telegrams: WUX Niles
In Canada: Curtis Lighting, Ltd., Leaside, Toronto, Ontario

Another in a series—to acquaint jobbers with the **PURE** *franchise*

How PURE's new "Programming for Progress" Plan works to build profits for Pure Oil jobbers

PURE's new "Programming for Progress" Plan is a complete management consultant service based on Pure Oil's broad facilities and experience in every phase of the oil business. It is available at no cost to all Pure Oil jobbers.

Under this plan, an experienced Pure Oil field man first works with the jobber in analyzing the jobber's own market and market potential.

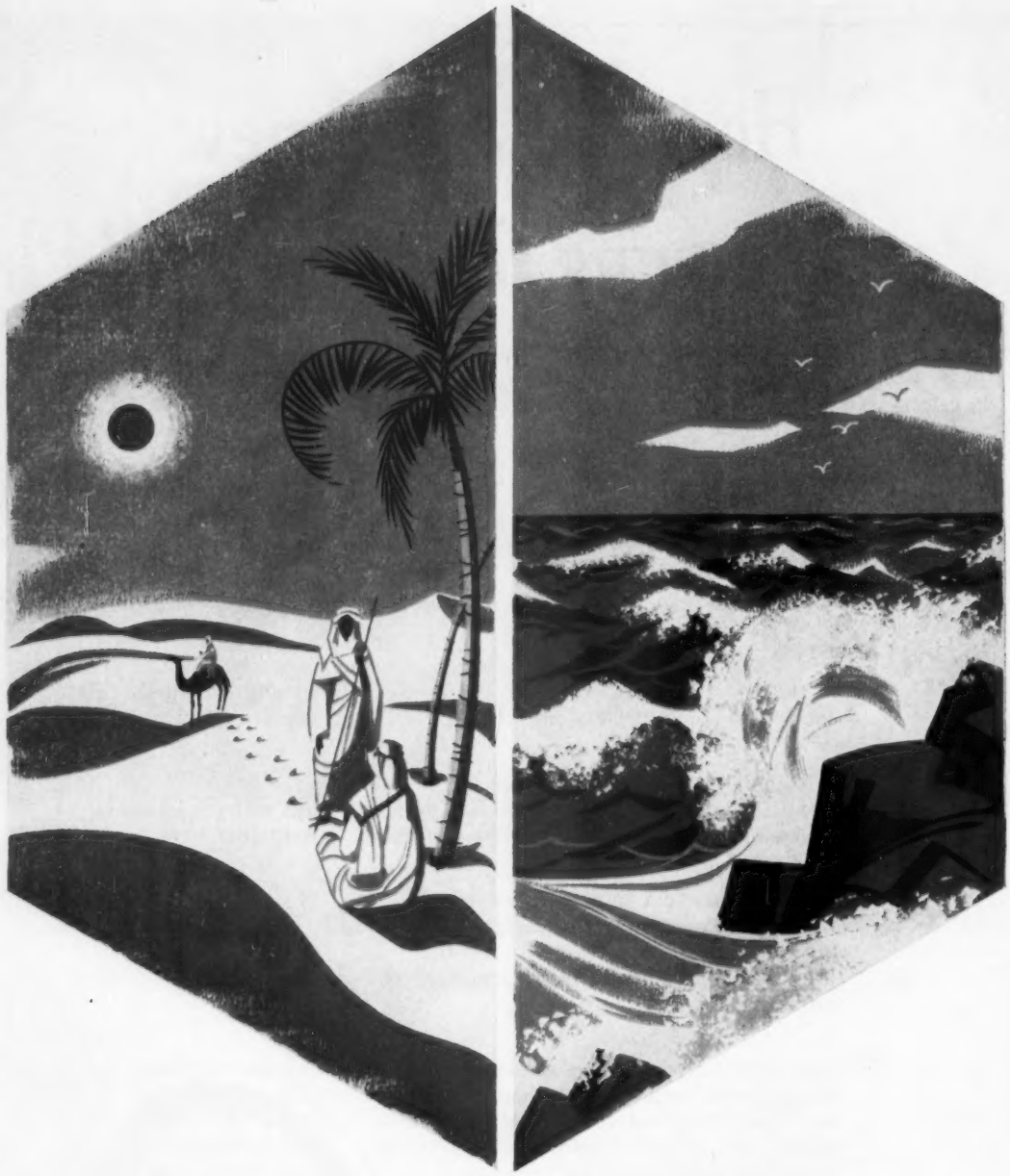
He then helps make a thorough analysis of the bulk plant portion of the jobber's business, and, if requested, studies the jobber's capitalization and financing problems.

He assists in analyzing other phases of the jobber's business, including retail sales, farm and commercial accounts, fuel oil sales, and his advertising and sales promotion program.

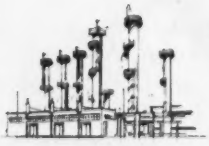
Finally, he and the jobber agree on a carefully worked-out program of long and short term objectives, complete with detailed plans for reaching those objectives, tailored to meet the jobber's own special needs.

It pays to be sure with PURE

Isn't this the kind of company you are looking for? If you would like more information, call or write: The Pure Oil Company, Retail Marketing Dept., 35 E. Wacker Drive, Chicago 1, Illinois.



Oil is where you find it...



More Than Forty Years Of Leadership In Petroleum Refining Technology

Big news not so long ago was crude from Mexico's Gulf. Today, it's crude from Africa's Sahara, where newly-found deposits are rapidly being developed.

Helping the refiner get what he wants from *any kind* of crude is part of the service rendered by Universal. Regardless of his sources of supply, variations in "feedstock," and kinds of petroleum and petrochemical products he has to produce, he knows he can rely on UOP for expert advice and service.

Over a period of more than forty years UOP has developed extensive and highly specialized research, design, engineering, service facilities and refining processes and know-how. These are made available to refiners anywhere in the free world—to help him process his oil most efficiently and profitably, no matter where it is found.

UOP

UNIVERSAL OIL PRODUCTS COMPANY

30 ALGONQUIN ROAD

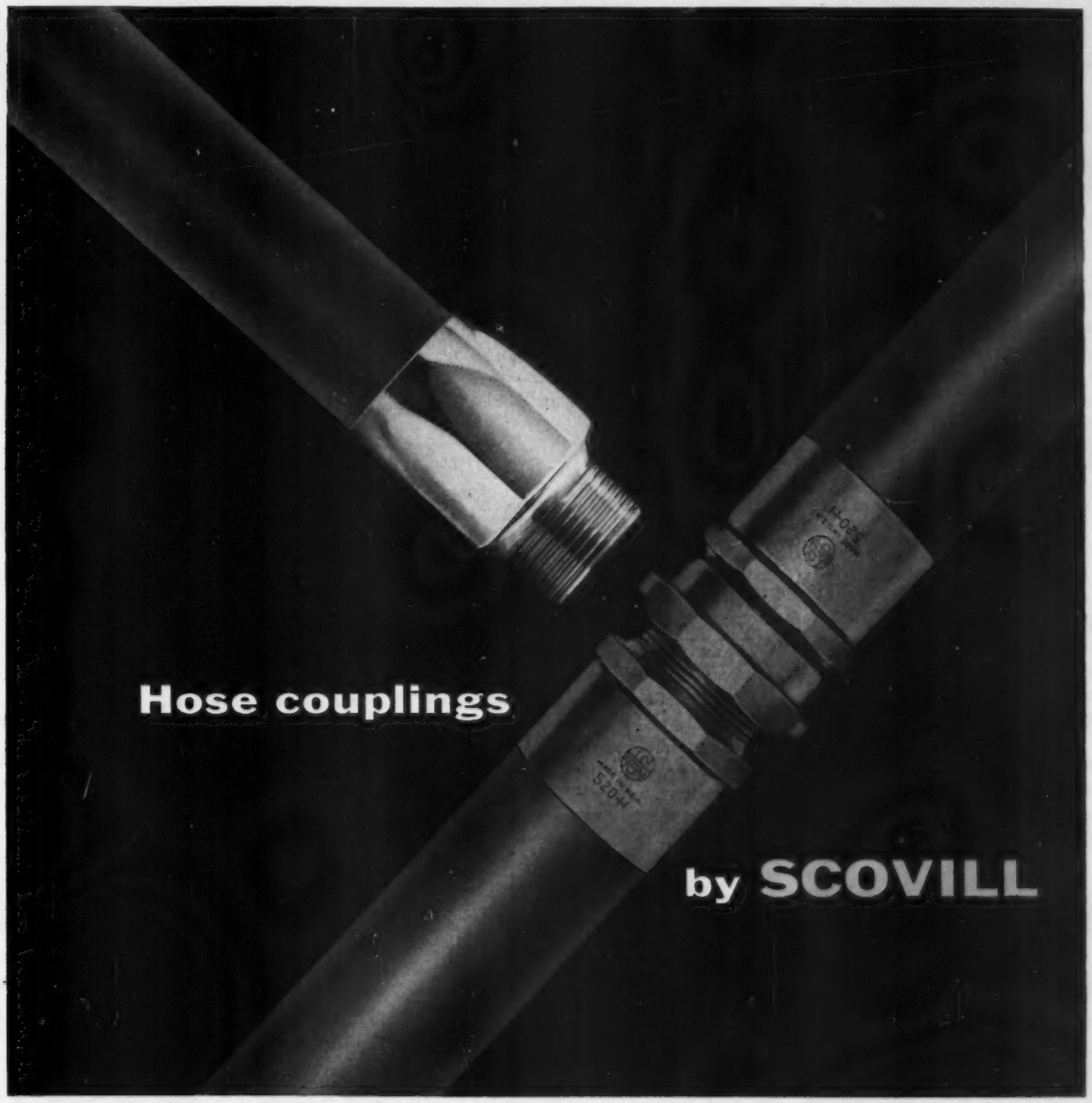
Des Plaines, Ill., U. S. A.

New way to cut costs, increase profits:

PERMANENTLY-ATTACHED HOSE COUPLINGS

Scovill's permanently-attached fuel oil and gasoline pump hose couplings can save you money by eliminating the unnecessary . . . the **hidden** . . . costs of re-attachable couplings. These unseen costs include such expenses as removal-time of old hose couplings, storage, shipping, paper work, re-attachment and more. Hidden costs added to the **higher initial cost** of re-attachable couplings mean one thing: it will actually cost you **less** to throw away a used Scovill permanently-attached coupling than to recondition a re-attachable coupling for re-use.

It's easy to see Scovill permanently-attached couplings save **all along the line.** In addition, distributors who handle hose can now buy fuel oil and gasoline pump hose couplings right from Scovill to save up to 1/3 the former cost! And direct-to-distributor shipment means they can sell coupled hose to oil companies at better-than-competitive prices. For full details on the advantages and savings of **modern** permanently-attached hose couplings, write: Scovill Manufacturing Company, Hose Coupling Department, Waterbury 20, Connecticut.

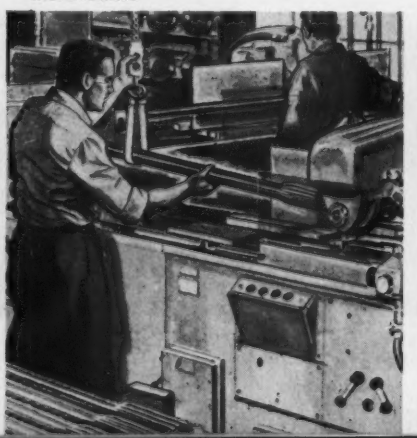


On our production lines... where each Mack may be different! Matching up the right components, as a succession of individualized Macks comes down the line, is a mighty demanding task—one that few manufacturers can tackle. But it's an old story for Mack . . . pioneer in the custom-assembling of heavy-duty trucks and specialist in building the most efficient truck for today's important jobs.

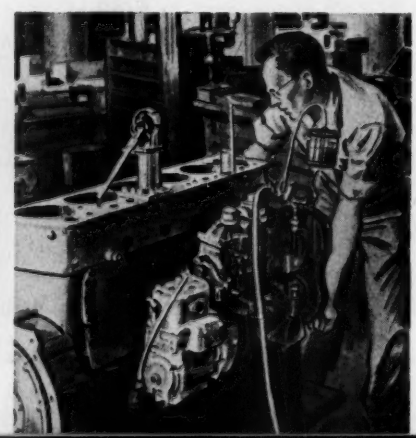
How Macks are

Some driver's going to be in luck! . . . thanks to the comfort of this Model B cab. Owners are in luck too, for Mack cabs offer minimum upkeep requirements, ready access to all working parts and special mountings that cushion the whole assembly against road shock. Cabs ride more quietly and comfortably, and maintain their rugged good looks for years.

You get extra work out of Macks because extra work goes into Macks. For instance, Mack axle shafts have greater endurance, size for size, and many times the shock resistance of any others. One reason is their exclusive involute splines—here shown being cut—which give greater shear resistance. Another is the ultra-hard surface and interior toughness imparted by Mack's unique graduated heat-treatment.



Every Mack engine and component is thoroughly tested through every stage of manufacture. Mack Thermodyne® diesel engines are noted for running hundreds of thousands of miles without overhaul in major fleets. These engines are unrivaled for economy and dependability in heavy-duty operation. They have sparked Mack's big lead in the sale of diesel trucks since 1953.



custom-built on our assembly lines

One look at Mack production lines and you'll see why every fleet operator can have units made to match his operating requirements.

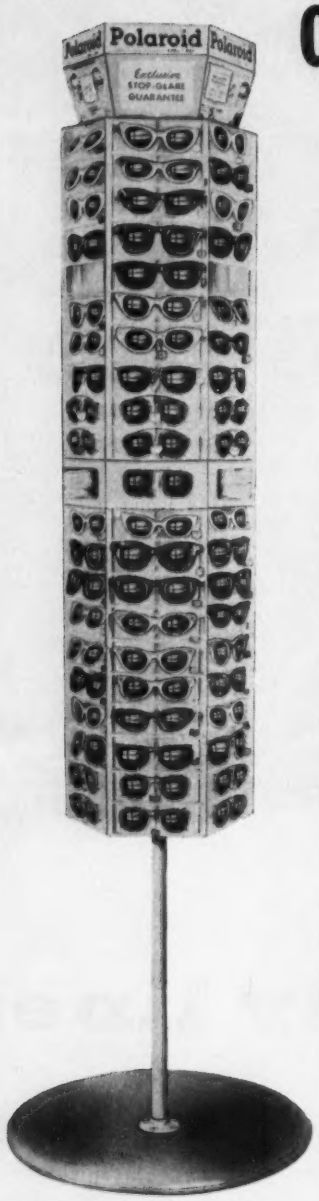
For Mack has evolved a miracle of production control that allows us to send a succession of different models down the same line. Each Mack fills a separate order . . . each one is assembled from a selected combination of interchangeable stock Mack components—engines, frames, transmissions, front and rear axles, brakes and accessories.

That's why we can translate your operating conditions into the Mack trucks and tractors—COE or conventional—that most exactly meet your needs for capacity, terrain, legal requirements, economy and safety. And while they may differ physically, all Macks have one thing in common . . . *quality*. For you just can't buy a Mack that's anything less than the finest equipment of its kind. Mack Trucks, Inc., Plainfield, New Jersey. In Canada: Mack Trucks of Canada, Ltd.

MACK
FIRST NAME FOR
TRUCKS

It pays to have your dealers display

COOL-RAY† POLAROID® sunglasses!



DEALER'S PROFIT $159.26
Deal #23890 Single Column Floor Stand Rotary
144 assorted pairs, retail value $398.16
Your cost $238.90

One Cool-Ray Polaroid display—only two feet square — gives your dealers $159.26 profit per stock turn. A full 40%! Multiple display locations can boost profit three, four and more times.

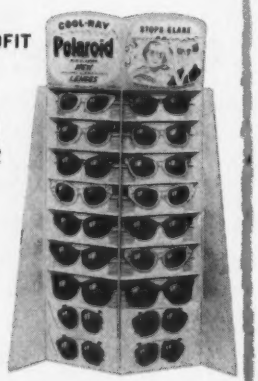
ONLY COOL-RAY, THE "BEST-KNOWN BRAND," BACKS YOUR DEALERS WITH 479 BIG SELLING ADS! Dynamic, full-color ads in: PARADE, THIS WEEK, the CHICAGO TRIBUNE, NEW YORK SUNDAY NEWS, PHILADELPHIA INQUIRER — and more. Week-after-week, 29,474,787 families will see these hard-selling ads. More than 100 Sunday newspaper supplements will be used. It's the *biggest* ad support program ever!

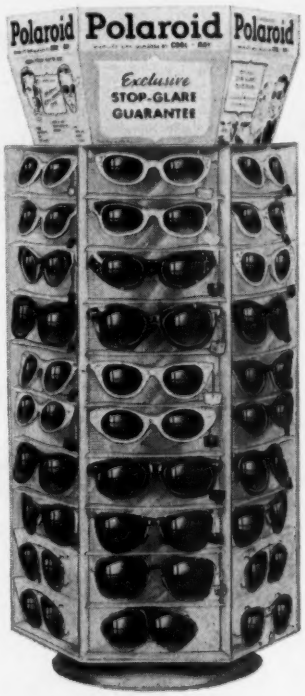
Cool-Ray dealers make more! Sales records show that Cool-Ray Polaroid Sunglasses average $1.11 profit per sale—more than ordinary sunglasses by far. In addition to the profitable deals listed below, Cool-Ray has many more with 40% dealer profit—from $10.68 to $159.26 with every stock turn.

FOR COMPLETE INFORMATION! See your Cool-Ray representative today. Or write: Joe Dunn, Marketing Director, Cool-Ray, Inc., 80 Heard Street, Boston 50, Mass.

DEALER'S PROFIT $16.28
Deal #2440 Sportsman Side Card
12 assorted pairs, retail value $40.68
Your cost $24.40

DEALER'S PROFIT $16.82
Deal #2520 High Style Side Card
18 assorted pairs, retail value $42.02
Your cost $25.20





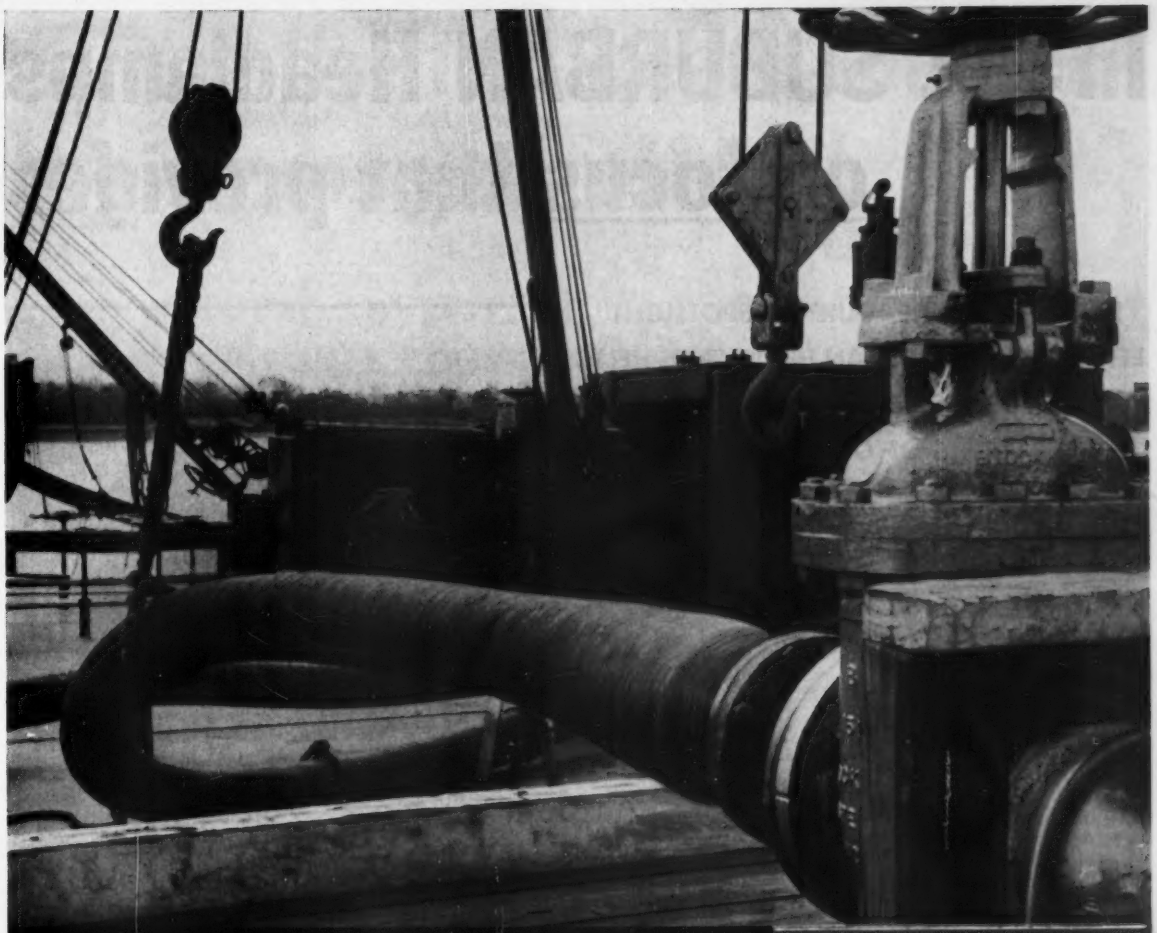
DEALER'S PROFIT $66.95
Deal #10045 Single Counter Rotary
60 assorted pairs, retail value $167.40
Your cost $100.45

Exclusive STOP-GLARE GUARANTEE $2.39

†T.M. Reg. by Cool-Ray, Inc.
® by Polaroid Corp.

Only COOL-RAY Sunglasses Have POLAROID Polarizing Lenses

Cool-Ray, Inc., 80 Heard Street, Boston 50, Mass.



With Acme-Hamilton O.S.&D. Hose you can give the pumps full throttle

With Acme-Hamilton O.S.&D. Hose you can apply maximum pressure for top-speed ship and barge loading and unloading. Withstands full vacuum and discharge pressures up to 200 psi. Quality materials and construction permits severe handling of this hose under all conditions, and guarantees longer service life.

CHECK THESE FEATURES:

(A) Carcass has multiple plies of neoprene-impregnated heavy cotton duck. Wire reinforced to take full vacuum and provide maximum flexibility without kinking.

(B) Smooth Bore construction features neoprene oil-resistant tube.

(C) Thick neoprene cover resists sunlight, weather, abrasion and petroleum products.

(D) Reinforcing wire grounded to nipples to dissipate static electricity.

Write Acme-Hamilton Dept. PN91

Acme Hamilton

MANUFACTURING CORPORATION, TRENTON 3, N. J.

Divisions: Acme Rubber Mfg. Co. • Hamilton Rubber Mfg. Corp.

ATLANTA • CHICAGO • DETROIT • HOUSTON • INDIANAPOLIS • LOS ANGELES
MILWAUKEE • NEW YORK • PITTSBURGH • SALT LAKE CITY • SAN FRANCISCO • SEATTLE

In G-E SUBURBAN Headlamps on focus that provides

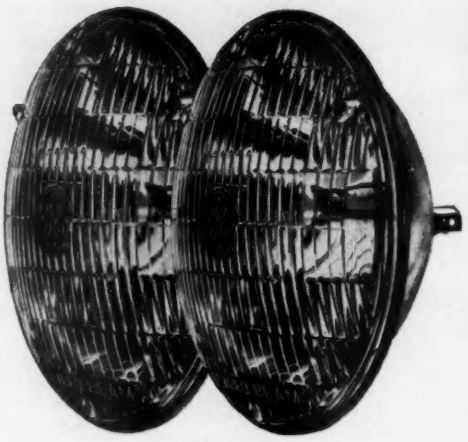
HERE'S WHY THE "BUILT-IN SPOTLIGHT" EFFECT IN G-E SUBURBAN HEADLAMPS HELPS MOTORISTS SEE BETTER AGAINST THE LIGHTS OF ONCOMING CARS

1. THE FILAMENT. G-E SUBURBAN Headlamps are the first 7" headlamps to have the low beam filament *on focus*—that is, optically centered in the reflector. So, all rays coming from the reflector to the lens are parallel and are concentrated into a spotlight-type beam.

2. THE LENS. With the *on-focus* filament in G-E SUBURBAN Headlamps already providing a "spotlight" effect, there is a minimum loss of useful light by the lens in directing the beam far down the right side of the road. Headlamp lenses do *not* concentrate light, they distribute it.

3. THE PROOF. Light-meter checks show that, in the "spotlighted" area, there is actually twice as much light as provided by the previous 7" headlamps—with ample surrounding light for seeing both sides of the road.

4. THE RESULT. The additional light (with no increase in wattage to place additional drain on the battery) lets motorists see better beyond an oncoming car in spite of its lights, when both cars are from 75 to 200 feet apart.



G-E 6006 FOR 6-VOLT CARS AND TRUCKS
G-E 6012 FOR 12-VOLT CARS AND TRUCKS

There's a box 225 ft. ahead! This is how a pair of new G-E SUBURBAN Headlamps helps you see better against oncoming cars' lights!
150

THERE'S TWICE AS MUCH LIGHT IN THE "SPOTLIGHT" AREA. There's more light farther ahead down the right side of the road, than with any previous two-headlamp system. Even if the oncoming car's lights are aimed high, or if the other driver fails to "dim", a pair of G-E SUBURBAN Headlamps helps motorists see better beyond approaching cars when they're 75 to 200 feet apart. After passing, this extra light helps the driver recover his vision more quickly . . . and makes for safer night driving.

IDENTICAL HEADLAMP NUMBERS DO *NOT* MEAN IDENTICAL PRODUCTS. The standardization of headlamp numbers applies only to nomenclature, mechanical interchangeability and service location on a car—and are *not* indicative of lighting results achieved, beam characteristics, nor internal construction features of the lamps. *No other headlamp* at this time uses an on-focus filament for the low beam, even though other headlamps may bear the same lamp numbers.

...it's the low beam filament the "spotlight" effect!

AND HERE'S THE ADVERTISING AND PROMOTION SUPPORT THAT'LL HELP YOUR DEALERS SELL 'EM IN PAIRS

SALES PRODUCING ADS—in big circulation magazines reach nearly all your dealers' customers. Urge dealers to tie-in . . . and sell 'em in pairs. And add to their profits by aiming each pair of G-E SUBURBAN Headlamps they sell.

"SEE FOR YOURSELF" DEMONSTRATOR—Attractive, eye-catching. Customers can see "before" road scene . . . then lift up the die-cut flap to see the dramatic "spotlight" effect of G-E SUBURBAN Headlamps.

WINDOW STREAMERS AND DECALS—3-color streamer with DAY-GLO ink. Pressure-sensitive, 2-face decal in 3 colors. Put them on windows or doors to flag customers' attention.

BREAST-POCKET DEMONSTRATOR—Each man can wear one. Catches customers' attention. Graphically demonstrates the benefits of General Electric SUBURBAN Headlamps.

ORDER COMPLETE PACKAGES OF THESE AIDS FOR YOUR DEALERS TODAY: ***General Electric Co., Miniature Lamp Dept., Nela Park, Cleveland 12, Ohio***

Progress Is Our Most Important Product

GENERAL ELECTRIC

"NEWTYPE"

**TANK CAR—
TANK TRUCK
UNLOADING HOSE**

***Lightweight*... FOR EASY HANDLING**
***Kinkproof*... FOR FULL, FAST FLOW**
***Durable*... FOR LONG SERVICE LIFE**

For important savings in handling gasoline from tank car or truck, be sure the hose you buy is "NEWTYPE".
Full inside diameter, even on sharpest bends.
Highest resistance to wear and weather.
Yellow spiral stripe for easy identification.
Sizes 1¼" to 4" I.D., in maximum lengths of 50 feet.

"If it's GOODALL, it Must be GOOD!"

Goodall Rubber Company
Whitehead Road, Trenton 4, N. J.

Date_____

Gentlemen:

☐ Send "NEWTYPE" Catalog and Prices ☐ Have your representative call

Company_____
Address_____
City_____ Zone_____ State_____
Att. of_____

Standard of Quality—Since 1870

HOSE • BELTING • FOOTWEAR • CLOTHING
AND OTHER INDUSTRIAL RUBBER PRODUCTS

GOODALL *Rubber Company*

GENERAL OFFICES, MILLS and EXPORT DIVISION, TRENTON, N. J.
BRANCHES AND DISTRIBUTORS THROUGHOUT THE UNITED STATES.
IN CANADA: GOODALL RUBBER CO. OF CANADA LTD., TORONTO.

ZONING OF MAIL

Many cities in the United States use postal zone numbers as part of their address. The use of these numbers accelerates and simplifies the processing of mail, makes it easier for the less experienced clerk to distribute the mail, and effects earlier dispatch and delivery of your mail.

For this reason, it is important that you use zone numbers wherever applicable. Learn your own zone number and use it on your return address. Obtain the zone numbers of those to whom you write, and include them on all correspondence. Your local post office will be glad to furnish you with any information concerning postal zones.

MAILING EARLY IN THE DAY

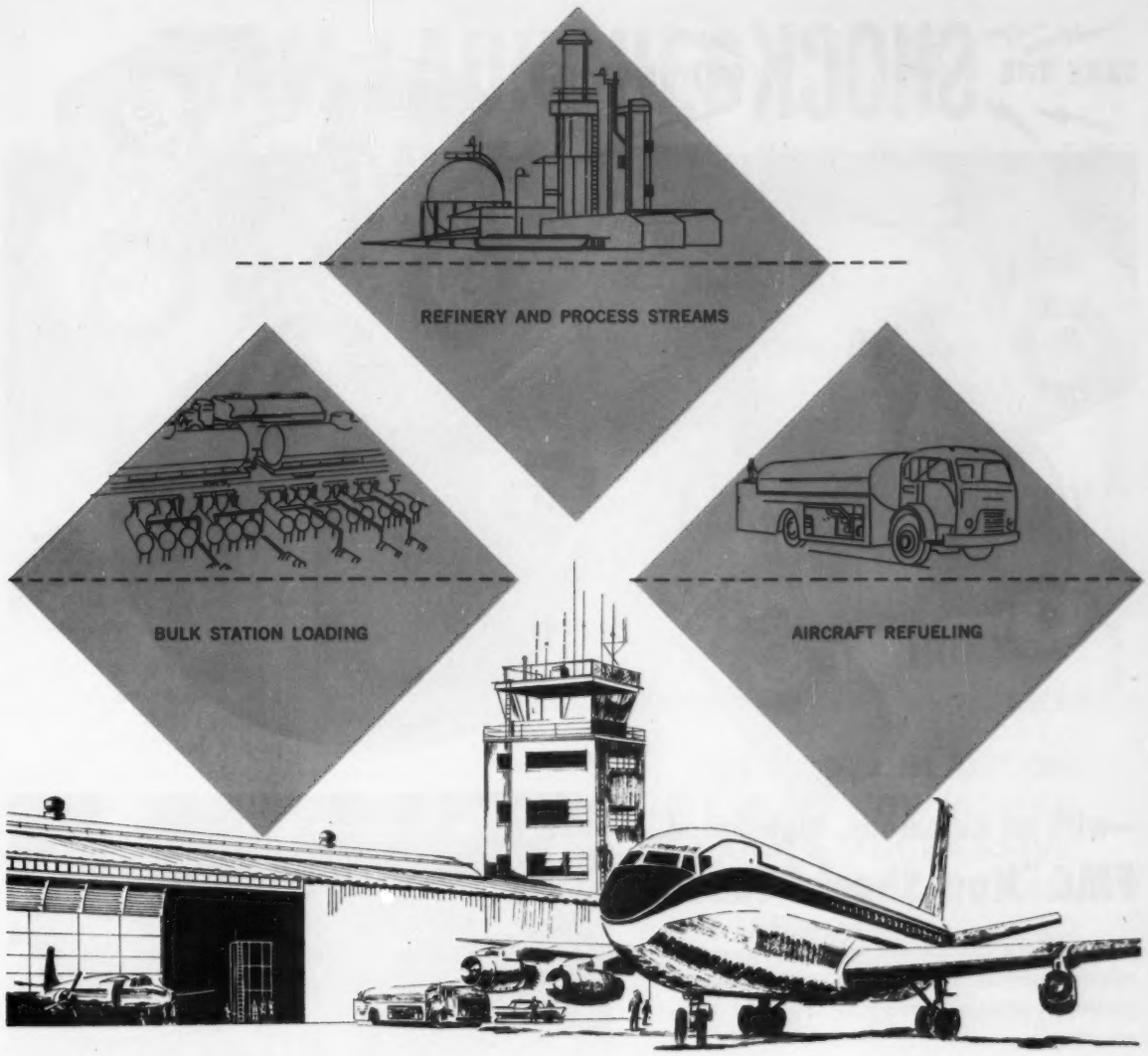
At present approximately 80% of the mail is received in the post office between the hours of 6 and 10 p.m., creating a tremendous peak period problem.

To process this tremendous volume of mail, the post office has to schedule 75% to 80% of its employees on night duty. Since night workers are paid a 10% differential, postal costs are increased. In addition, because of the larger proportion of night work, the post office is faced with a recruitment problem as potential employees are attracted to jobs with more desirable working hours.

Early mailing would cut postal costs and stretch your tax dollars. Moreover, the reduction of night work would enable more postal employees to spend evenings at home with their families.

The simple fact is, that by mailing earlier in the day, the peak load would be spread out, enabling the post office to place a larger amount of mail on earlier planes and trains, and thus assure earlier delivery at point of destination.

**A Public Service Message From
NATIONAL PETROLEUM NEWS**



CONVERT EXCELSIOR PACK SEPARATORS

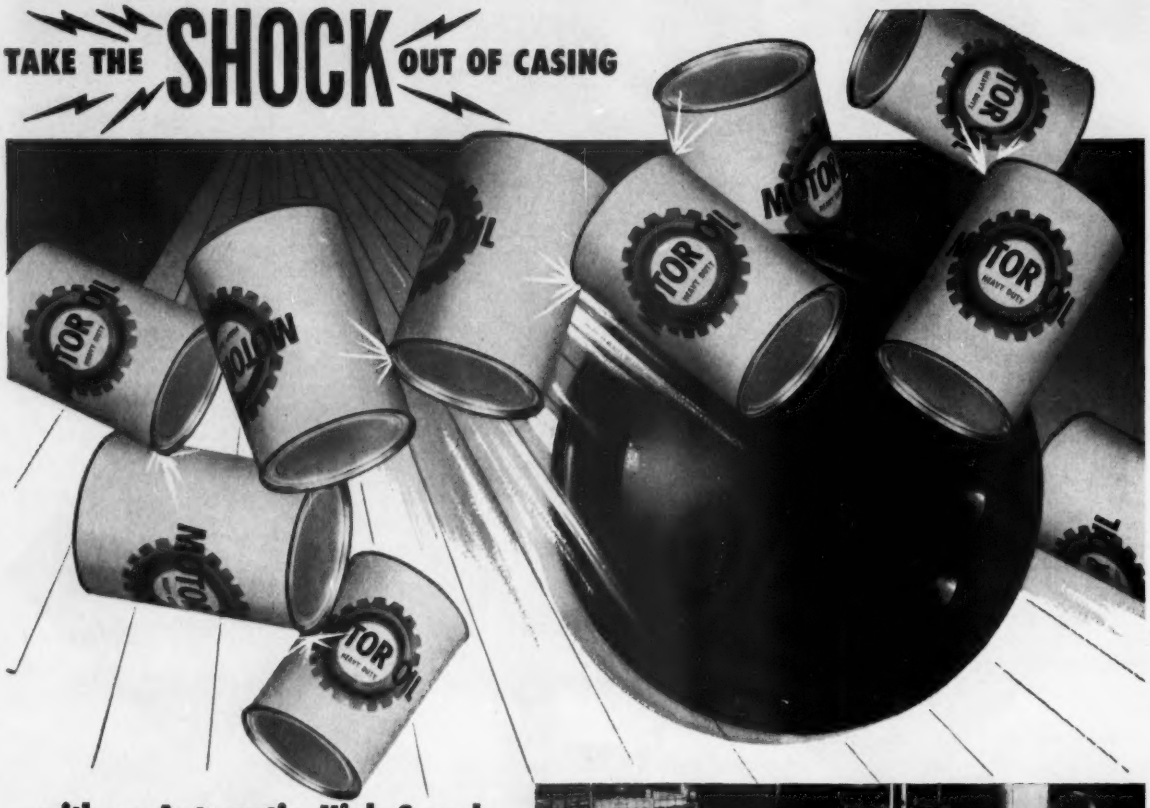
fast, economically with WARNER LEWIS *conversion kits*

This new kit converts your existing excelsior packed separators into high efficiency filter/separators for removal of fine solids and emulsified water in finished petroleum products. In today's exacting requirements in refinery processing, bulk station loading and jet aircraft fueling, it is most important to have clean, dry products. Since Warner Lewis Company is the original manufacturer of excelsior-type separators, our complete files insure correct fit of conversion kit and maximum efficiency of operation at lowest possible cost. Write us today for complete information on your requirements.

WARNER LEWIS COMPANY
BOX 3096 • TULSA, OKLAHOMA

DIVISION OF FRAM CORPORATION

TAKE THE SHOCK OUT OF CASING

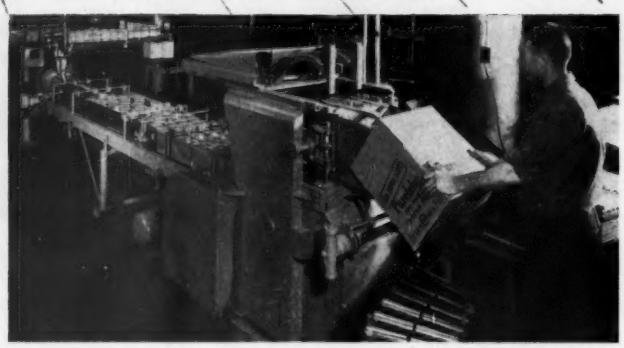


—with an Automatic, High-Speed FMC "Non-Shock" Caser

Now you can case canned oil continuously and automatically at highest speed, with maximum protection against damage to cans and lithographing.

The FMC "Non-Shock" Caser, perfected originally for casing delicate, vacuum-packed fruits and vegetables, has been widely accepted by the oil industry to speed up operations, cut manpower requirements, and overcome can damage and product loss.

Complete details are available on request. Ask for your copy of our new bulletin No. 701-W on "FMC M&S Oil Fillers," too, or call your nearest FMC representative.



FMC "Non-Shock" Caser pays big dividends in high capacity and gentle can handling at **The Pure Oil Company's** Cincinnati plant.

Putting Ideas to Work

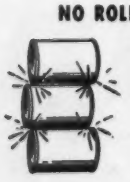
FOOD MACHINERY AND CHEMICAL CORPORATION

Canning Machinery Division

General Sales Offices:

WESTERN: SAN JOSE, CALIF. • EASTERN: HOOPESTON, ILL.

NO ROLLING OR BEAD-TO-BODY IMPACT



Cans enter the machine upright, move smoothly along woven wire belt, are transferred gently to the case.

NO CAN ELEVATOR REQUIRED

Cans are delivered to the continuous feed belt through a 90° twister, avoiding denting, spreading of can seams and leaking. Scraping and scratching of lithographing is also prevented.

FREE BULLETIN AVAILABLE

Fully illustrated "Non-Shock" Caser Facts Bulletin Vol. V No. 1 is yours for the asking. Better yet, call your FMC representative today for complete information!

FRAM LAUNCHES GIANT PROMOTION TO GET HOODS UP

To sell oil! To sell Filters!

As part of our giant 1959 Silver Anniversary Sales Program, FRAM Corporation now launches a nationwide "Treasure Hunt."

This unique promotion offers $60,000.00 in cash awards—with duplicate prizes for dealers and their customers.

The FRAM Treasure Hunt is designed to boost *oil* sales—as well as *filter* sales —in *every* station in every state!

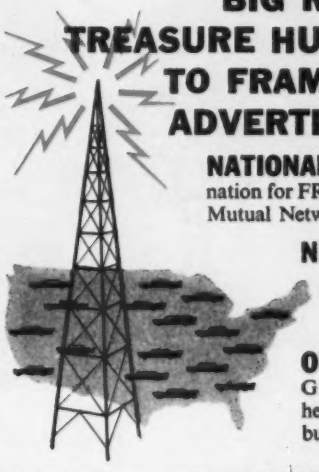
Here's how it works: Any car that drives into a station may be a FRAM Treasure Car! Last year 10,000 secretly tagged FRAM Oil and Air Filters were installed in old and new cars during regular servicing.

Filters pay up to $1,000 to dealers who find them . . . and the same amount to the car-owners. There are 10,000 chances to win. Awards are made in these denominations: $1,000, $500, $100, $50, $10, $5, $1! To find winning tags, dealers should check both oil and air filters on every car that drives in! Campaign ends at midnight on June 30, 1959, and is subject to Federal, state and local laws and regulations.

Dealer can't lose! Whether or not he wins a prize, he still gets all the extra sales built by the Treasure Hunt: added oil changes, lube jobs, new Oil and Air Filter sales!

FRAM SILVER ANNIVERSARY $60,000.00 TREASURE HUNT

BIG RADIO BLAST ON TREASURE HUNT NOW ADDED TO FRAM'S AGGRESSIVE ADVERTISING PROGRAM



NATIONAL RADIO! Complete coverage of nation for FRAM Treasure Hunt—on CBS and Mutual Networks during Spring change-over!

NATIONAL MAGAZINES! Powerful ad schedule includes FRAM Treasure Hunt messages in the Saturday Evening Post!

OUTDOOR ADVERTISING! Giant Highway Billboards in heavy traffic areas build FRAM business for dealers.

For details, phone or write FRAM CORPORATION, PROVIDENCE 16, R. I.

EXCITING SALES SPUR FOR ATTENDANTS, TOO

FRAM SILVER ANNIVERSARY D-8 PROMOTION lets dealer run his own sales drive

Dealer gets this luxurious sweater *at no extra cost* . . . to give as an award in an oil and filter change promotion among his own men!

Sweater comes with **2 Free Fram Filters** for only $4.50, with the purchase of any 24 FRAM Filters. When dealer sells 2 free filters at list, he recovers entire cost of deal!

FRAM MAKES PROMOTION EASY by furnishing everything dealer needs: Full Instructions for Promotion . . . plus FREE SCORE CARD!

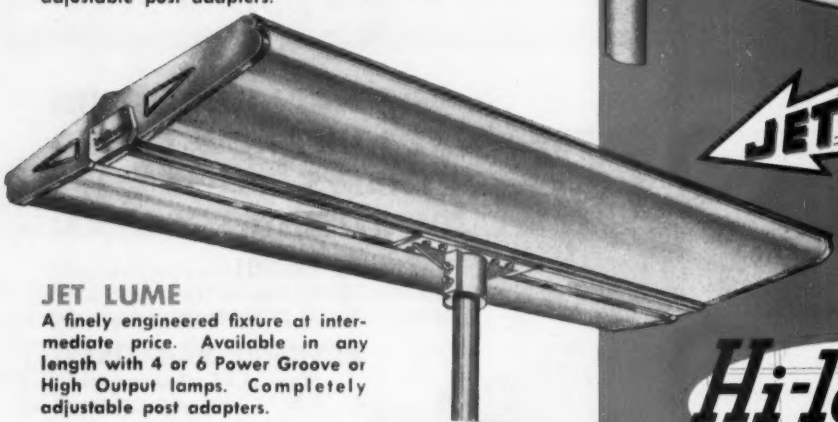
Whiteway GIVES YOU CHOICE IN PRICE WITH NO SACRIFICE OF QUALITY!

DEDICATED TO QUALITY AND SERVICE

HI-LUME
SERIES HL

HI-LUME
The finest fixture available. Any length with 4 or 6 Power Groove or High Output lamps. Completely adjustable post adapters.

JET-LUME
SERIES JL



JET LUME
A finely engineered fixture at intermediate price. Available in any length with 4 or 6 Power Groove or High Output lamps. Completely adjustable post adapters.

Hi-lander
TRADE MARK
SERIES HG

HI-LANDER
Economy that saves dollars. A 2 lamp Power Groove, or 4 lamp High Output unit that meets all budgets, available in any length. Completely adjustable post adapters.

Whiteway
DEDICATED TO QUALITY AND SERVICE
MANUFACTURING COMPANY
1736 Dreman Ave., Cincinnati 23, Ohio
PIONEERS IN FLUORESCENT OUTDOOR LIGHTING EQUIPMENT FOR PROGRESSIVE SERVICE STATIONS

Regardless of your needs in all types of outdoor lighting, Whiteway has it. Now 1959 Catalog No. 5 just off the press! See your local Whiteway jobber or . . .

WRITE FOR YOUR FREE COPY TODAY!

ARO PUTS THE SHOW ON THE ROAD

to show you how to increase lube profits!

See ARO's new Mobile Lube Demonstrator at the I.A.S.I. Show

Booths A290-A292-A294

Another ARO First! Now ARO puts the most advanced type of lube equipment for every need "on wheels"—to show you exactly how ARO streamlines this service and increases lube profits for you!

This new ARO Mobile Display will be headquarters for lube equipment demonstrations at the I.A.S.I. Show. Be sure to see it—Booths A290-A292-A294!

Every type of modern lube equipment is set up for you to see in actual operation in this display. Everything from overhead reels to pumping units . . . portable units to hand guns. You can see how each unit works . . . how ARO performance and dependability do the job faster, easier, with more profit for you!

After the Show, the Mobile Demonstrator will move into the field. It's air-conditioned, completely self-powered. Watch for it in your territory. It shows your best move today—get modern ARO Lube Equipment for progress and profits! See us at the Show or call your ARO Representative for a demonstration.

See all this in operation!

- **Overhead reels for all services.**
- **Stationary drum cover lubricators with air-operated lifts.**
- **Portable chassis lubricator.**
- **Portable drain.**
- **Grease guns.**
- **Grease fittings.**
- **Speed couplers.**

THE ARO EQUIPMENT CORPORATION

GENERAL OFFICES—BRYAN, OHIO • Plants at Bryan and Cleveland, Ohio
Aro of Calif., 3141 S. Grand Ave., Los Angeles 7, Calif.
Aro Equipment of Canada, Ltd., Toronto 15, Ontario
Offices in All Principal Cities

ARO® LUBRICATION EQUIPMENT
Automotive—Farm—Industry

US RUBBER AMAZON OIL TRANSPORT HOSE

UP-DATING AN AMAZING STORY:
Back in 1955 two lengths of U.S. Amazon Oil Transport Hose held a heavy tanker in check after she had slipped her moorings. The strain on the two hose was tremendous, but amazingly, Amazon held on. We told all about it in the advertisement shown here.
Today, three years later, a re-visit to this same dock revealed that one of these same lengths of Amazon is still in operation, doing a safe and efficient job.
We never recommend this kind of abuse for any hose—even Amazon. Still, it's nice to know that in buying U.S. Amazon you get a hose that has built-in reserve strength to command your complete confidence.

TANKER BREAKS LOOSE . . . "U. S." Hose holds on

Helplessly, the big tanker drifted away from the pier. She had slipped her moorings. Her sole connections with the shore were two lines of U. S. Amazon® Oil Transport Hose, one forward, one aft.

As the heavy, sluggish tanker edged further out, tremendous strain began to build up on the two hose, each consisting of two 25-foot lengths. *But U. S. Amazon Hose held.*

Soon each 50-foot line of hose was, as the picture above indicates, stretched like a rubber band—in fact, stretched out to 114 feet, over twice its normal length.

But U. S. Amazon Hose held—

When the tanker was brought back to the pier, astounded engineers removed the hose and tested it to 200 lbs. pressure. No leakage or other damage was found. Most amazing of all, each of these stretched and strained lengths recovered all but one foot of its original length.

This totally unexpected use of U. S. Amazon Hose as a hawser is a dramatic example of the value of "U. S." wire cord construction—which can take more longitudinal abuse or other deformations than conventional woven duck hose.

U. S. Amazon H-1515 is recommended for discharge—H-1818 for both suction and discharge service.

• • •

When you think of rubber, think of your "U.S." Distributor. He's your best on-the-spot source of technical aid, quick delivery and quality industrial rubber products.

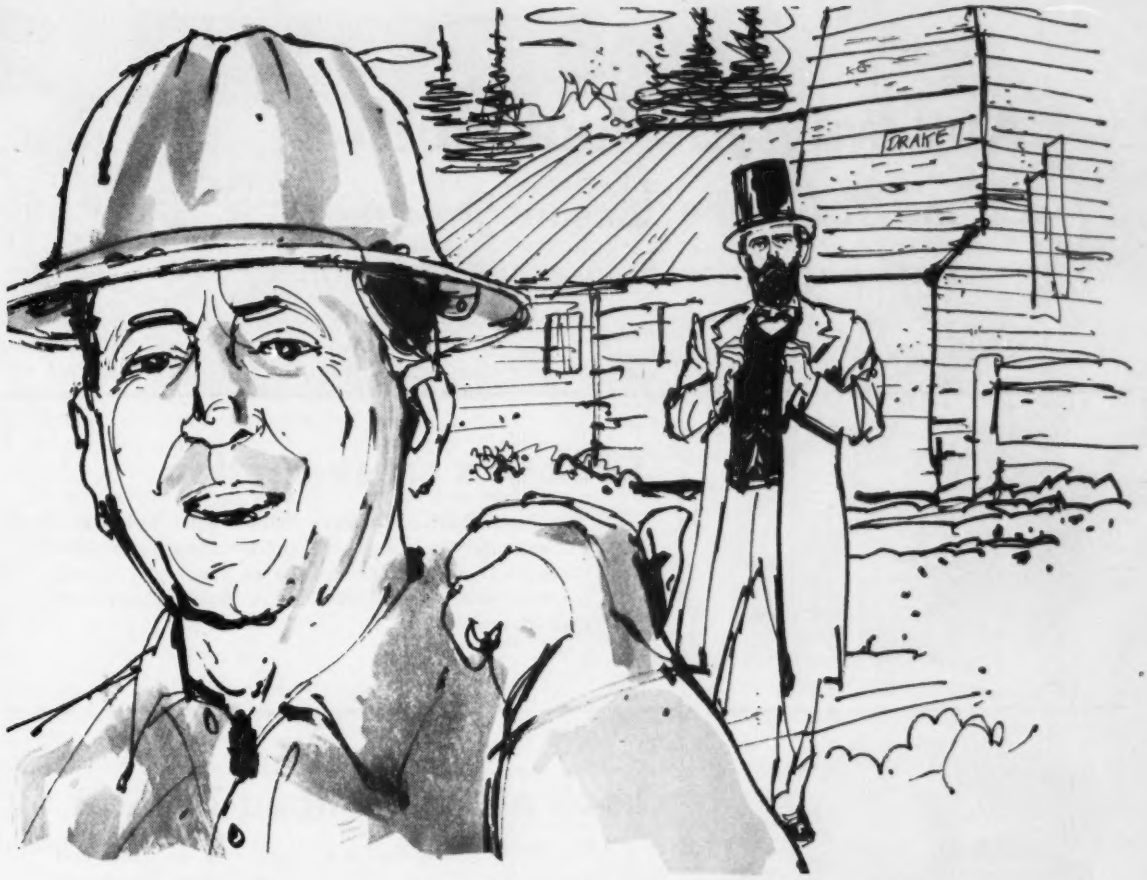
US RUBBER

Mechanical Goods Division

United States Rubber

WORLD'S LARGEST MANUFACTURER OF INDUSTRIAL RUBBER PRODUCTS

Rockefeller Center, New York 20, N.Y. In Canada: Dominion Rubber Company, Ltd.



Meet the man who started us in business just one hundred years ago

He's Edwin L. Drake—who drilled the world's first commercial oil well in Titusville, Penn.—August 27, 1859

Your business and mine started when Edwin L. Drake decided to drill rather than dig for oil in Titusville. Some men laughed at Drake, some scoffed and others ignored him completely.

But no man questioned Drake's right to try out a new idea or his freedom to work as he chose. In this unique climate of freedom, America's oil industry was born.

Today, one hundred years later, preservation of the freedom to try new ideas and develop new products to win the favor of our customers remains our greatest challenge. Responsible enterprise is still the very foundation of the oil business...as it has been throughout one hundred years of service to the American people.

Oil's one hundredth anniversary offers every oilman the opportunity of a century to tell his neighbors how his business serves them. This is a proud story and we can be proud to tell it during this Centennial year.

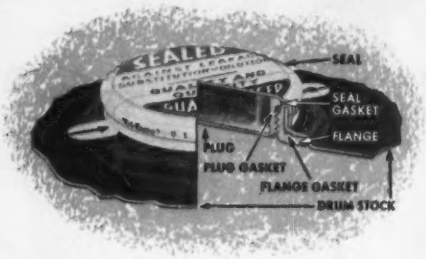
1859 1959

OIL'S FIRST CENTURY
-BORN IN FREEDOM
WORKING FOR PROGRESS

COMMITTEE ON PUBLIC AFFAIRS OF THE AMERICAN PETROLEUM INSTITUTE • 50 WEST 50th STREET • NEW YORK 20, NEW YORK

Any way you look at it...

the *Tri-Sure*® Closure gives the best protection to products in drums



Look at a cross-section

The interengaging Tri-Sure* Flange, Plug and Seal—all gasketed—provide your products with an *extra* margin of safety from leakage and seepage . . . from external and internal pressure . . . from breathing-in and contamination.

"The Sign of a Perfect Seal"

Look at the crimped-on seal

The Tri-Sure Tab Seal is crimped over the flange and plug so that it completes a perfectly *sealed* closure and also prevents undetected tampering and pilferage.

Look at a well-travelled closure

Look at a Tri-Sure Closure that has travelled thousands of miles—under all conditions of weather, temperature, and handling. It still remains positively leak-proof and seepage-proof—a sentinel of security.

Look to *Tri-Sure* for the kind of protection that your products should have. When you order drums, always specify "Tri-Sure Closures."

*The "Tri-Sure" Trademark is a mark of reliability backed by over 35 years serving industry.

AMERICAN FLANGE & MANUFACTURING CO. INC., 30 ROCKEFELLER PLAZA, NEW YORK 20, N. Y.

CHICAGO, ILL. • LINDEN, N. J. • NILES, OHIO

Tri-Sure Products Limited, St. Catharines, Ontario, Canada
Tri-Sure S/A Indústria e Comércio, Sao Bernardo Do Campo, Estado de Sao Paulo, Brazil
American Flange & Manufacturing Co. Inc., Villawood, N. S. W., Australia
Compañia Mexicana Tri-Sure S. A., Naucalpan, E. de Mexico, Mexico
B. Van Leer N. V., Stadhouderskade 6, Amsterdam, Holland
Van Leer Industries, Ltd., Seymour House, 17 Waterloo Place, Pall Mall S. W. I, London, England

Ahead of the News

IN WASHINGTON

'Gas' Tax Opposition Grows—The administration will face strong Congressional opposition to its proposed gasoline tax increase. Key congressmen and oil industry leaders have already lashed out at the proposal. Two factors stiffen the opposition: (1) General feeling that existing gasoline and automotive taxes could finance entire federal road program, if they were not diverted to general tax funds. (2) Intention of several states to push through a boost in state gasoline levies this year. New York has already upped its gasoline take from 4¢ to 6¢ gal. and diesel levy from 6¢ to 9¢ gal. President Eisenhower had asked a 1.5¢ gal. federal tax rise, bringing tax to 4.5¢ gal. Even Eisenhower's argument that the increase would be "temporary," lasting only until 1964, is not likely to carry much weight with opposition.

•

Divorcement Hearings Due—Congress is not expected to pass divorcement legislation this session. But the House Small Business Committee, headed by Rep. Wright Patman (D., Tex.), will hold full-dress hearings. Patman and Rep. James Roosevelt (D., Calif.) have agreed to a full committee probe, since the Roosevelt subcommittee has finished its own two-year study of proposals to ban oil companies from marketing. There's a chance, Roosevelt says, that the committee's investigation may be broadened to include other manufacturing lines.

•

NCPR and Investigations — National Congress of Petroleum Retailers will wait a while before deciding whether to ask Washington to investigate "oil problems." NCPR submitted information to the Justice Department about complaints against commission station operations. Before polling members to see whether they want a Congressional investigation, NCPR will advise them on the status of C-station complaints at DJ, the association reports in its official bulletin.

•

S-11 Gaining? — The "anti-good-faith" bill, S-11, seems to be picking up more Senate support. With proponents campaigning aggressively for adoption, the bill's now given a 50-50 chance in the Senate. If it passes the Senate, House chances will be boosted. Presidential veto, however, is likely.

•

'Alky' Bill Slips—Legislation calling for development of alcohol fuel from farm products is given only a 50-50 chance of passage in the House. The Senate passed the bill unanimously last year, but House members consider it controversial.

Sun To Appeal 'Jacksonville' Order; FTC Decision Clouds Discount Issue

Sun Oil Co. will appeal the Federal Trade Commission's decision in the much-publicized "Jacksonville Case." FTC has ordered Sun to stop giving discounts to certain stations, without cutting prices to other dealers in the same marketing area.

Sun gave a competitive discount to a Jacksonville dealer in 1955 to meet competition from a price-cutting station across the street. Other Sun dealers in Jacksonville did not get the same competitive allowance.

Confusion is mounting over the definition of a "marketing area." FTC decision sheds no light on the definition. The commission discounted Sun's argument that the station's marketing area was confined to nearby blocks. But at the same time, the commission has charged Pure Oil with price discrimination for giving competitive allowances to all dealers in the Birmingham, Ala., area.

Marketers see in the FTC decision a threat to all competitive discounts, whether or not they are made "in good faith" to meet competition.

In announcing plans to appeal, Willard Wright, Sun vice president says, "If the narrow interpretation of the law is allowed to stand, we doubt the ability of any supplier to come to the aid of any dealer under any circumstances."

•

When's the 'Price-Fix' Trial?—It looks now as if the price-fixing conspiracy charge against 29 oil companies won't go to trial before next summer. A. U. S. district judge Savage in Tulsa has ordered the Justice Dept. to spell out specific names, dates and places it considers involved in the case. An Alexandria, Va., grand jury charged the oil companies with conspiring to fix crude oil and gasoline prices during the Suez crisis.

AROUND THE COUNTRY

Higher Cost of Product—This year's 5% wage increase will add about 0.125¢ to 0.2¢ per gal. to the cost of petroleum products, according to educated estimates. The range could be as great as 0.1¢ to 0.5¢, depending on individual products and local conditions. Whether individual companies will add the increase to product prices depends on market conditions. Most regard this as a "new and ill-timed squeeze" on profits and feel it should be passed on. The 5% pay hike was set as an industrywide pattern in labor-management negotiations last month.

More Ahead of the News ►

Ahead of the News

New Credit Talks—Diners' Club is negotiating with at least two major companies—reportedly Tidewater and Texaco. Rumored to be ahead: a "transitional agreement" in which oil companies would accept Diners' cards at stations, in addition to their own.

Meanwhile, clarification of Cities Service credit policies shows that the company will accept, for identification in emergencies, a Diners' or American Express card at company-owned turnpike stations. Cards are not good for charge purchases, as reported last month by NPN, but only to help identify a driver making an "emergency credit purchase of fuel or services." Emergency transactions are marked for special billing and customer gets Cities' credit application with his charge sheet.

•

More Trouble in West—California marketers are in for more litigation and legislative probes. Assemblyman Bruce Allen (R., San Jose) has introduced a bill aimed at alleged price-fixing by majors. And the California Federation of Service Stations has filed charges with the attorney general accusing seven majors of price-fixing.

•

Court Test for Stamps—Sperry & Hutchinson Trading Stamp Co. will appeal a Wyoming district court's upholding of a ban on trading stamps in Casper. District judge said he had "grave doubts" about constitutionality of Casper's anti-stamp ordinance, but felt that "business would be better off without stamps." S&H may be joined in its appeal to Wyoming Supreme Court by Gold Bond Stamp Co.

•

More College for Oil Marketers—Another year of specialized retailing courses for oil men is planned at New York University (NPN—Aug. '58, p125). Two seminars are scheduled in 1959: June 15-26 and Oct. 19-30. The original two held last year drew 34 oil men, representing major oil companies plus Speedway and the Merit-Saveway-Giant chain. The seminars are held at NYU's school of retailing; subjects are handled by NYU professors and retail experts in non-oil lines (cost: $400 per person). An oil industry advisory committee, made up of representatives of several majors, wants to keep the program going twice a year as long as it lasts. There's talk of getting jobber participation and of working up a special seminar later for heating oil men.

•

Bay Still at Bay—Entrance of the Bay brand into the Texas Gulf Coast area is probably still several months away, even though Bay is now headquartered in Houston (as part of Tennessee Gas Transmission). Oil marketers in the Southwest believe Bay intends sooner or later to plant its flag in Texas. The only question is when.

More Stable Latin Markets?—Oil companies that sell their products south of the border will find a better business climate in the years ahead. That's the meaning experts read into recent upheavals in Latin American countries. Cuba's Castro, they say, typifies the emergence of a stronger middle class—a factor long lacking in Latin societies. In the long run, the growth of a middle class, and its gradual assumption of power, has historically augured well for stability and economic progress.

•

Spur Going Public—Stock in Spur Distributing Co. (NPN—May '58, p88) is going on the open market. Involved are approximately 1-million shares, priced at around $11 per share. Spur's total net worth is estimated at between $14-million and $15-million. Mason Houghland, Spur founder and president, will retain nearly 30% interest, enough to assure working control. Houghland paid $5-million to the Alien Property Office last year to regain control of Spur. (A majority interest in Spur was seized during World War II as enemy property). Houghland's one-year paper profit is $5-million. Competitors expect at least part of that to go into expansion and modernization. Spur is the second big independent to go on the public market in recent months. Billups offered shares in part of its operation to the public last summer (NPN—Oct. '58, p81). A third big independent, Clark Oil & Refining, has been publicly held for several years.

•

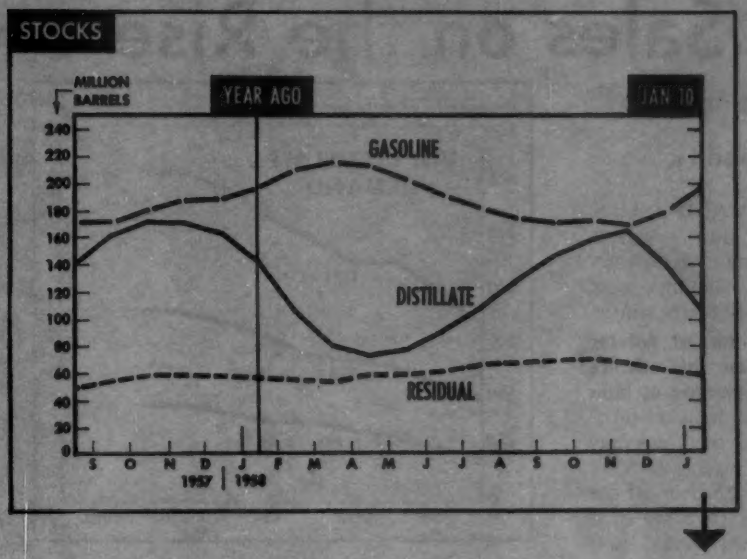
Colorado Price Probe Ahead?—Oil companies in Denver may be the next to come under Federal Trade Commission scrutiny. Petroleum Retailers Assn. of Colorado says it has sent the FTC a complaint alleging five major oil companies varied prices to retailers as much as 5.4¢ gal. Association claims to represent 1,500 Denver dealers and 2,500 in the rest of the state.

•

Portable Station Stir—A skid-type portable service station is creating quite a stir in Southwest markets. Price wars have arisen in some areas the portables have entered. Majors would like to ignore these outlets, but other private branders won't.

•

Inside vs. Outside Display—Two conflicting trends in futuristic station thinking seem destined to lock horns. One school of thought sees pumps and hoses buried in the driveway at strategic spots. Merchandising displays would be set up in a greatly expanded all-glass salesroom. Other experts say the pump island will be expanded into a complete merchandising unit—with full service facilities and merchandising displays. Both schools agree on one thing: The days of the traditional island with pumps, water and air facilities are numbered. For further thinking on the station of the future, see page 135.



NPN PRICE AVERAGE*
Refinery/Terminal
(¢ per gal.)

	Jan. 1959†	Dec. 1958	Jan. 1958
Gasoline (regular)	11.51	11.51	12.10
Kerosine	11.53	11.29	11.15
Distillate	10.02	9.74	9.66
Residual	4.77	4.70	5.50
4 principal products	9.26	9.19	9.71
Lube oil	21.53	21.53	24.17
Crude at well ($ per bbl.)	2.98	3.01	3.10

* Weighted average price, principal markets. Crude prices middle of month, not monthly average.
† Through Jan. 16.

MONTHLY PETROLEUM STATISTICS

	Jan. 1959*	Dec 1958	Jan. 1958
Primary stocks (Last Day)			
Finished and unfinished gasoline (thous. bbl.)	190,748	185,095	207,115
Kerosine (thous. bbl.)	23,235	26,085	23,073
Distillate fuel oil (thous. bbl.)	109,656	127,300	122,375
Residual fuel oil (thous. bbl.)	59,368	60,844	57,562
Crude oil—B. of M. (thous. bbl.)	260,255	263,039	284,539
Refinery Activity			
Crude runs to stills (thous. bbl. daily)	8,196	7,937	7,672
Foreign crude included (thous. bbl. daily)	979	994	952
% of refinery capacity operated	85.2	82.6	84.2
Refinery Output			
Gasoline (thous. bbl. daily)	4,104	4,098	3,827
Kerosine (thous. bbl. daily)	451	373	361
Distillate fuel oil (thous. bbl. daily)	2,091	1,973	1,841
Residual fuel oil (thous. bbl. daily)	1,075	1,045	1,089
Crude Supply			
U. S. crude oil production (thous. bbl. daily)	7,076	7,102	6,865
Crude oil imports (thous. bbl. daily)	898	1,070	1,002

*Through Jan. 16, except crude stocks, Jan. 10.
Source of data: API Weekly Reports, except 1958, Bureau of Mines

MONTHLY MARKET TRENDS

	Latest Month	Previous Month	Year Ago
Exports of crude and refined products (thous. bbl.)	8,756 (Oct.)	8,826	11,146
Average station gasoline price, ex tax (¢ per gal.)	20.57 (Jan.)	20.36	21.71
Service station sales—all commodities ($-million)	1,361 (Dec.)	1,338	1,286
Gasoline consumption (million gal.)	5,455 (July)	5,257	5,424
Passenger cars—domestic shipments (thous.)	497 (Nov.)	263	560
Trucks and buses—domestic shipments (thous.)	76 (Nov.)	56	79
Automotive replacement tire shipments (thous.)	4,320 (Nov.)	6,476	3,630
Replacement battery shipments (thous.)	2,970 (Oct.)	2,704	3,042
Oil burner shipments (thous.)	79 (Oct.)	75	71

Distillate Sales on the Rise

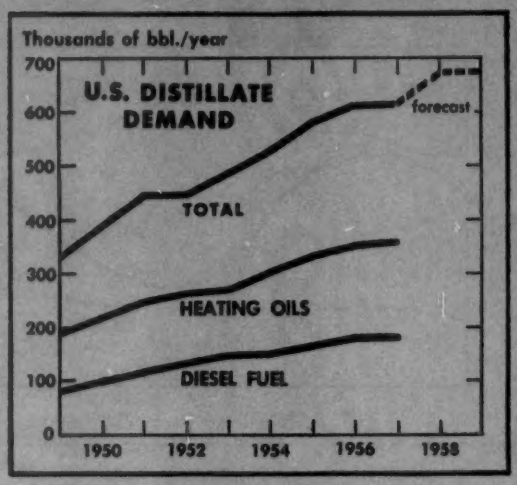
Diesel's gain tops heating's, improving seasonal stability

DISTILLATE FUEL OIL DEMAND at U. S. refineries is climbing again, after a halt in 1957. The gain in sales is not all due to the greater use of this product as heating oil, although these requirements have been severe in the current winter.

Sales of diesel oil, the second largest volume product made from refinery distillate fuel oil, are growing at a faster rate than consumption of light heating oils. The greater utilization of diesel oil is not highly seasonal, as with heating oils, and may be expected to improve the year-around stability of the distillate fuel oil markets. The over-all demand for distillate fuel oil products is being eyed with more respect by refiners, since annual consumption now is almost half that of gasoline.

U. S. requirements for distillate fuel oil in the first quarter of 1959 are expected to reach an all-time high of 2,635,000 b/d average, almost 6.5% higher than actual demand in the first quarter of 1958. For all of 1959, domestic demand forecast is 1,845,000 b/d average, 4.1% greater than in 1958. U. S. demand for gasoline in 1959, by comparison, is expected to increase 2.8% from 1958.

Total sales of diesel oil in 1957, the latest data on sales available, were 183,438,000 bbl. This was a gain of 1.4% from 1957. The increase in distillate heating oil sales was nominal in that year. From 1955 to 1956, diesel oil sales gained 6.8%, those of heating oils 5.9% (see chart at right). Since 1949, heating oil demand has increased 90%, diesel oil sales have gained 109%. An even larger proportionate growth is likely in future years, as more is used as motor fuel in trucks and buses.



SALES OF DIESEL OIL take a growing proportion of available U. S. distillate fuel supplies. Sales of 183,438,000 bbl. in 1957 were over half heating oil sales of 360,212,000 bbl.

The U. S. railroads (largest user of diesel oil) foresee a possible shortage in future years and are trying to develop means to incorporate some residual oil in the fuels for diesel engines.

Stocks at U. S. refineries reflect the greater demand for distillate fuel oil products this fall and early winter. Inventories also were lower to start the fall. Total stocks Jan. 2, 1959, were 126,056,000 bbl., almost 24-million bbl. less than on Jan. 3, 1958 (see table, left). These stocks had been reduced 32,686,000 bbl. from the start of the current heating season in early October. In the previous heating season, inventories had been reduced only 22,662,000 bbl. from early October, 1957, to Jan. 3, 1958.

The reduction in distillate fuel oil stocks has been heaviest in the East Coast and Gulf Coast refining districts. Here inventories on Jan. 2, 1959, were 20,462,000 bbl. less than on Jan 3, 1958. Refiners in these areas are importing larger volumes of distillate fuel oils to meet current needs.

Refiners in inland refining districts are meeting their greater needs for distillate fuel oils this winter by processing more crude oil. Their stocks on Jan. 2 were closely in line with those at the start of 1958. In West Coast refineries, stocks Jan. 2 were almost 20% less than at the start of 1958.

For the entire U. S., inventories of 126,056,000 bbl. Jan 2 were almost 16% less than a year ago.

Recognizing the growing demand for distillate fuel oil products, many refiners believe that increasing their yields from crude oil processed is the economic way to meet requirements, rather than running more crude oil to their stills and possibly overproducing gasoline. ■

U.S. Refinery Fuel Oil Stocks

Jan. 2, 1959—Jan. 3, 1958
(1000 bbls.)

District	Jan. 2 1959	Jan. 3 1958	Change from '58	Per Cent Change
East Coast	45,337	59,410	—14,073	—23.7
Gulf Coast	17,975	24,364	— 6,389	—26.2
Total Coastal	**63,312**	**83,774**	**—20,462**	**—24.4**
Ind.-Ill.-Ky.	22,054	20,206	+ 1,848	+ 9.1
Okla.-Kans.	10,116	11,796	— 1,680	—14.2
Rocky Mt.	2,871	3,004	— 133	— 4.4
Other Inland	15,135	15,560	— 425	— 2.7
Total Inland	**50,176**	**50,566**	**— 390**	**— 0.7**
U.S. Except West Coast	113,488	134,340	—20,852	—15.5
West Coast	12,568	15,681	— 3,113	—19.8
Total U.S.	**126,056**	**150,021**	**23,965**	**—15.9**

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cantilever lights

SEE *the improvement . . .*
in effective lighting
FEEL *the difference . . .*
in increased sales
When you upgrade and modernize your service station with Compco Cantilever lights with full light control reflector

FOR USE WITH ALL POPULAR OUTDOOR LAMPS; H.O., V.H.O., P.G., OR S.H.O.

- **versatile**...gives more light over a wider area. Island, perimeter and approach lighting in one efficient unit.
- **attractive**...beautiful streamlined design adds the "modern touch" that brings customers to your pumps.
- **economical**...Surprisingly low original equipment cost. Built-in efficiency assures minimum operating and maintenance costs.

BEFORE

AFTER

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CORPORATION
1800 N. Spaulding Ave. Chicago 47, Ill.

It's time you got a big share...

of Sinclair's annual billion dollar sales

You can—with a Sinclair distributor franchise. In Sinclair's 36-state marketing territory, many areas are now ripe for some alert businessman to take over.

When you do, the entire Sinclair organization is primed to help you get rolling with financial and administrative aid, with assistance in bulk plant operation and service station development.

To spur your salesmen and dealers in building extra fuel oil, industrial and farm gallonage, Sinclair puts a complete sales training package at your disposal.

You'll be tough on competition, too. The Sinclair brand is pre-sold by one of the most aggressive advertising and promotion campaigns in the oil business.

Why don't you find out just how you can share in Sinclair's profit-paying billion dollar business? For the complete picture, write

SINCLAIR REFINING COMPANY

600 Fifth Avenue, New York 20, N. Y.

Training for Everyone

That's the objective of Conoco's new program for field marketers

CONTINENTAL OIL has started its version of "management workshops" for its jobbers, commission agents, and their employes. First held in Omaha, Neb., last year, plans now call for putting them on throughout the company's 28-state marketing area.

The workshop is a four-session course that can be offered in one day, or broken up and spread out over a period of time. Topics covered are:

- "Proposal selling." This two-hour session outlines the framework for making a successful sale.
- "The Planned Sales Call." This 3½-hour session goes into actual sales calls on a step-by-step basis.
- "Selling Yourself and Overcoming Objections." This course, lasting 1½ hours, tries to show how a salesman can create a feeling of dependability, sincere interest, knowledge of job and good manners among his customers.
- "Job and Time Management." This 1½-hour course helps the marketers set and schedule their sales activities.

Continental's program grew out of similar workshops held in Houston for its district sales representatives. They are put on by trained company personnel, who use flip-chart demonstrations and "chalk talks" in leading discussion on the various topics.

The main part of the training depends on the distributors telling of their problems, then the answers being developed in round-table discussions.

The Omaha shop was attended by 16 jobbers. It was an all-day affair, but Conoco says others will be scheduled according to what the distributors in the various areas want.

►**Cosden Petroleum** was set to move products in late January into Ohio, Indiana, Iowa, Minnesota, Missouri, Nebraska, Wisconsin and the Dakotas, following completion of a 47-mile products line from its Wichita Falls, Tex., terminal to Duncan, Okla. (NPN—Oct. '58, p. 73.)

The line, owned by Cosden subsidiary River Pipeline Co., has an initial capacity of 10,000 b/d of products. It connects at Duncan with the Oklahoma-Mississippi River Products Line, and has connections at other points with Badger, Great Lakes and Texas Eastern systems.

Cosden plans to sell principally on an unbranded basis to jobbers in the Midwest. It will concentrate most of its selling at this time in Ohio and Indiana.

Herbert Willetts (left) heads a newly constituted major oil company; Vern Bellman continues as marketing v. p.

Just Plain 'Mobil'

Changes in corporate structure give flying horse a new look

AS FAR AS financial people are concerned, it's still Socony Mobil. But as far as the general public is concerned, it's Mobil from March 1 on.

On March 1, the venerable corporation will have a new look and a new organization:

- Mobil Oil Co. will come into being as a fully integrated major oil company in the U.S. and Canada.
- Mobil International Oil Co. will be the operating division for the other Free World countries where Socony Mobil does business.
- Socony Mobil will be the corporate structure, freed of operating responsibilities. As a corporate structure, it will resemble Jersey Standard and Standard of California, concerning itself primarily with policy, planning and world-wide coordination.

Looking at it from a marketer's standpoint:

- Mobil's president will be Herbert Willetts, lifelong marketer who started as a salesman. Since November, 1956 Willetts has been vice president in charge of employe relations and the petrochemicals department.
- The new name focuses on the brand name Mobil—which the company has been emphasizing to reduce the confusion caused by related names, such as Socony-Vacuum, Socony Mobil, flying red horse, White Star, White Eagle, Wadhams and Lubrite.
- Gradually, wholesalers and retailers will probably refer to themselves as 'Mobil' rather than 'Socony' marketers.

What about the marketing department, which has just undergone a sweeping reorganization announced last year? (NPN—July, '58, p104.) It fits into the Mobil Oil Co. virtually intact except for the transfer of a small marketing engineering unit to the corporation engineering department.

How to Stay Youthful at Fifty:

After half a century, NPN still serves its original function as a communicator and teacher

NATIONAL PETROLEUM NEWS was started in Cleveland 50 years ago this month. At that time the oil industry was dominated by the old Standard Oil trust, which was then on trial charged with running a monopoly.

The founder was Warren C. Platt, a 25-year old newspaper reporter who became interested in the oil business while covering the suit against Standard Oil. Through NPN, Platt took up the cause of the many little oil men, called "Independents," who were struggling for a place in the industry.

Shoestring Capitalization—To launch his publication, Platt used the small borrowing power of a $2,500 insurance policy with a cash value of only a few hundred dollars. To this was added a few hundred dollars from some oil friends.

"I got by," Warren Platt recalled in later years, "because the start was small and I could do all the work myself." He was publisher, editor, advertising manager and circulation manager.

A new type of journalism was in the making. Editorial expression was just emerging from the highly personal phase of name-calling. The new idea in publishing was to develop pertinent information and to crusade for righteousness, honesty and sound principles. Among the crusaders were Norman Hapgood at *Colliers* magazine, Sam McClure of *McClures* magazine, Joseph Pulitzer of the old New York *World,* and E. W. Scripps of the Cleveland *Press.* Working for the Cleveland *Plain Dealer,* the *Leader* and the *News,* young Platt received a liberal education in crusading. This crusading spirit became the trademark of NPN.

From the outset, Platt was an ardent advocate of free competition. "The chief reason for starting the paper was to encourage and help develop competition in the oil industry," Platt stated on NPN's 40th anniversary. "The tremendous growth of competition is the industry's greatest asset."

Attack on 'John D.'—Viewing the Standard Oil trust, under the direction of John D. Rockefeller, as an enemy of competition, Platt attacked with impunity. NPN jumped into a big fight over the status of pipelines.

The Rockefeller group kept a tight grip on the industry through its control of the transportation of crude oil to the refineries. NPN, demanding that pipelines be made common carriers in fact as well as law, stimulated a campaign that accomplished that objective.

The Independents hailed this as a great victory, the first in a long series of battles. In 1911, the Standard Oil trust was dissolved, in the fifty-second year of an industry still in its childhood, considering its progress since then. Breaking up the Rockefeller empire into 30-odd independent companies led the industry into a new era, one of frenetic growth and rampant competition.

NPN assigned itself to the dual function of reporter and teacher, of communicator and industry conscience. Not only did it report the visible events but it investigated developments requiring editorial enterprise. With this background of information, NPN helped readers interpret developments, anticipated opportunities, warned of dangers, raised its voice in criticism and launched vigorous crusades.

The Five Stages of NPN

NPN's history falls into five periods: its early years as a monthly, conversion to a weekly in 1917, shift to marketing coverage in the 1930's, purchase by McGraw-Hill in 1953 and development as an outright marketing monthly in 1954.

First Period—Although NPN has been known in recent years as a marketing magazine, it was an over-all industry publication in the beginning and for many years afterwards. When NPN made its appearance in 1909, most interest centered on production and transportation activities. Marketing, barely out of its primitive origins, was just entering the period of modern wholesaling and retailing, being advanced rapidly by the expanding popularity of the automobile. (For NPN's Quick History of Oil Marketing, turn to page 95.)

Second Period—On Dec. 5, 1917, NPN became a weekly. The volume of industry and price news reached a point where greater frequency was needed to satisfy the demand.

In the 1920's NPN was a booming publication. Its circulation shot above 10,000, a record figure in those days. To cover the big production developments in Texas and the Mid-Continent more closely, NPN opened news bureaus in Tulsa, Fort Worth and Houston.

By the early 1920's, NPN's price service had become such an important factor in the industry that Platt established a separate price reporting service, *Platt's Oilgram.* It was launched on June 9, 1923, to cover the price changes on a daily basis. Gradually news developments were reported informally in the price service. Eventually some readers began buying "Platt's," as it became known, for the news stories alone. On March 28, 1933, as the New Deal administration of Franklin D. Roosevelt began producing a steady flow of news affecting the industry, Platt separated the news service from the price service.

Third Period—The Great Depression of the 1930's, which hit the oil country hard, also rocked the Platt organization. The Tulsa, Fort Worth and

By FRANK BREESE
NPN Editor

The NPN Story

Houston offices were closed down. As the market value of crude oil skidded to giveaway prices, marketing received heavier stress. Little by little, NPN became a marketing-oriented magazine, and it acquired a reputation as "the oil marketer's bible."

During World War II NPN developed a monthly technical section. After the war, in 1946, the technical section was detached and built into a monthly refining magazine called *Petroleum Processing.* NPN's emphasis on marketing continued. Still it was not entirely confined to marketing, for it extended its coverage to political affairs, labor activities, international news and Washington developments that affected the whole industry, not just marketing.

Fourth Period—As he approached 70, Platt decided to sell his publications. In February, 1953, he made a deal with the McGraw-Hill Publishing Co., and on April 1, 1953, NPN and the other publications became McGraw-Hill property.

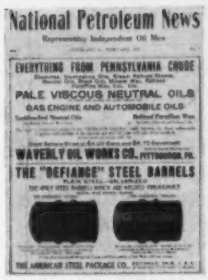
Almost immediately, McGraw-Hill began a developmental program with the object of reviving over-all industry coverage. Meanwhile, the publications were moved from Cleveland—after 44 years—to New York, where McGraw-Hill is headquartered.

Although NPN's title was appropriate for industry-wide coverage and its frequency was satisfactory for a news weekly, McGraw-Hill felt that NPN was sharply identified as a magazine for marketers. McGraw-Hill decided to establish a new industry-wide magazine, *Petroleum Week,* and to make NPN strictly a marketing magazine on a new monthly frequency.

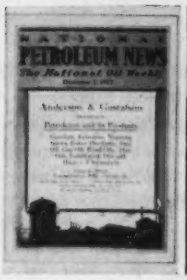
Fifth Period—NPN made the change in November, 1954. A few months later, in July, 1955, *Petroleum Week* was brought out as a companion paper offering over-all industry news.

As a monthly, NPN has specialized in "depth," or comprehensive, reporting, and has published a sequence of exclusive articles regularly since the conversion. Like the NPN of 1909, NPN today functions as a communicator and teacher. To perform its dual function, NPN handles two categories of material: (1) timely information about developments, issues and problems affecting marketing, and (2) articles prepared to help marketers do a better job—the "how to" articles. NPN refers to itself as "the magazine of oil marketing management" and considers itself an "idea" magazine.

Because the industry has become so complex and vast, the age of personal journalism and crusading within the industry has passed. So NPN's stock in trade is useful information, meaningful interpretation and lively presentation. Because there are so many segments and interests, NPN doesn't identify itself with any group. It's not a dealer magazine, nor big-company, nor jobber, nor service station. Instead, it covers the whole oil marketing industry, seeking to serve all factions and functions objectively.


National Petroleum News
EVERYTHING FROM PENNSYLVANIA CRUDE
PALE VISCOUS NEUTRAL OILS
GAS ENGINE AND AUTOMOBILE OILS
WAVERLY OIL WORKS CO.
THE "DEFIANCE" STEEL BARRELS

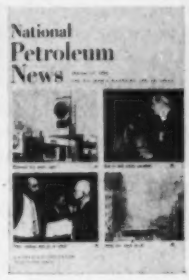
1909: The first issue



1917: First weekly

1930: At 21

1943: Wartime



1954: Last weekly

1958: Still young

Some NPN Landmarks

In its first 50 years, NPN has worked up a long string of achievements and has performed a multitude of services. Directly and indirectly, its influence has reached throughout the industry. Some notable services and accomplishments include:

- **Price Reporting**—One of NPN's biggest contributions, if not its major one, was the development of a price reporting service.

NPN's policy has been to request specific information about sales and quotations, not opinions. These quotations have been printed regardless of their effect on the market, since NPN's obligation is to give subscribers the facts. No reporter is permitted to have a direct interest in the trading of products.

In 1937, Platt was indicted by the U.S. Department of Justice in an antitrust suit against the oil industry tried in Madison, Wis. The complaint charged, in effect, that the Platt price service was an instrument for collusion. The Platt service was exonerated, and eventually the case was dismissed.

- **Safety**—Through NPN, Platt urged the development of a fire protection program. Platt served on the flammable liquids committee of the National Fire Protection Assn. He persuaded Standard Oil of New Jersey and Tide Water Oil Co. to study fire hazards in oil tanks. The data, which showed that oil tanks properly built and installed were not a fire hazard, resulted in the adoption of standards which became the basis of present regulations.

- **Service Stations**—Early in its career, NPN began campaigning for good planning, design and construction of service stations. Architects were consulted for ideas and advice on improving the efficiency and appearance of stations. In promoting

(Begins on page 90)

the beautification of stations, NPN sponsored contests and awarded prizes.

• **Helping Distributors**—NPN has been instrumental in the formation of innumerable trade associations, starting in July, 1909, with the Independent Petroleum Marketers Assn. Young Warren Platt was elected secretary of the IPMA, serving two years without pay and three years at $100 a month. That was the only time an NPN employe has accepted an association office, though NPN has worked closely with many associations. Platt himself was hailed as "the champion of jobbers."

IPMA was disbanded when jobbers gained sufficient strength to form state jobber associations. Later NPN promoted the creation of a national group of presidents of state jobber associations to discuss strengthening of associations and jobbers. This culminated in the National Oil Jobbers Council.

As tangible aid, NPN has printed thousands of pages of information prepared to help jobbers and commission agents operate more efficiently and profitably.

The People Who Made NPN

For 50 years, NPN has been noted for outstanding oil reporters. Although NPN was considered a one-man publication for many years because of Platt's strong personality, the magazine was staffed with good men as it grew.

Long-Time Aides—Two key figures who helped Platt sustain NPN through most of the years were Virgil B. Guthrie and Miss Alice E. Kraft, both retired, as is Platt. Guthrie, known throughout the industry as "Guth" and "Virge" started in 1915 and became managing editor in 1917. When Platt launched *Petroleum Processing* in 1946, he selected Guthrie as chief editor. Guth retired in 1957 after 42 years' active service.

Miss Kraft first joined NPN in 1911 as a school girl, took time out to get an A.B. degree at the University of Michigan, then returned to NPN in 1918. It was under Miss Kraft's direction that circulation pierced the 10,000-subscriber ceiling in the 1920's. She served as business manager and became secretary-treasurer of the organization. Miss Kraft retired in 1956.

Two other long-time NPN employes are Miss Irene Hanson, confidential secretary, who started in 1916, and Miss Helen Keller, advertising production, who joined the staff in 1919.

Prominent 'Alumni'—Among the former NPN editorial men who won prominence as oil reporters are Charley Boyd, Len Castle, Joe Chatfield, Earl Lamm, Pete Mosher, Mil Petty, Larry Smith (deceased), Roger Stafford, Paul Wagner (deceased), Bill Weston, Paul Wollstadt and Herb Yocom (deceased).

(A report on NPN "alumni" is on page 204.)

NPN has had three publishers and three editors. Platt was editor and publisher until 1954. Harry Waddell, a McGraw-Hill editor, succeeded him as publisher. Then Ervin E. DeGraff, a McGraw-Hill sales manager, became publisher this year.

Herb Yocom of the Platt organization was NPN's second editor; and he was succeeded in 1954 by Frank Breese, who also came from the Platt organization.

Newsman Warren C. Platt

Warren Cumming Platt was motivated by crusading zeal, driving industriousness, a burning competitive spirit and consummate honesty.

Controversial Figure—Platt became prominent in both the oil and publishing industries. A controversial figure in both, he incurred many enmities and attracted hosts of friends and admirers.

Warren Platt grew up in Delaware, a university town (Ohio Wesleyan) where he was born Dec. 6, 1883. Forced to drop out of high school and work, young Warren became a reporter. He was a reporter in 1909 when he decided to start NPN at the age of 25.

By dint of 18-hour days, he pulled his shaky venture through the early period. Every month he would spend two weeks on the road, returning to Cleveland on the 15th. He would empty his pockets of notes for stories, an advertising contract or two and perhaps some paid subscriptions. Then for two weeks he would work on his paper. On the first of the month he would bring his bags to the office, ready for another trip.

Two Success Factors—Virgil B. Guthrie, an old associate, attributes Platt's NPN success to two factors: First, NPN was launched on the eve of a period of great expansion in the petroleum industry. Second, like James H. McGraw, Sr., he was a business paper editor whose primary interest was editorial proficiency and integrity.

When business was still a struggle, an advertiser's attorney called on Guthrie of NPN, complaining that an article was detrimental. Guthrie held his ground. Overhearing the conversation, Platt removed an advertising contract from the safe and entered the room. "You know what this is, don't you?" he said to the attorney, shredding the contract into a waste basket. NPN didn't retract the story, and the company didn't withdraw its advertising.

Heart of Gold—Because he was strong-willed, highly opinionated and critical, Platt was hard to please. NPN turnover was brisk, both from resignations and dismissals.

"Beneath his gruffness was a heart of gold," recalls Miss Kraft. "During the 1930's, when NPN was just hanging on, he was still giving aid to a widow who had someone else to help her."

Platt, who is 75, lives with his wife Bess in Pacific Palisades, Calif. (773 Amalfi Drive). They have two married daughters. Since retirement, the Platts have traveled extensively, and he attends the Twenty-Five Year Club banquet at the annual API meeting in Chicago.

(In an article written especially for NPN's anniversary edition, Mr. Platt discusses competition on page 93.)

WARREN C. PLATT has been a lifelong champion of free competition. For 45 years as editor and publisher of NPN, Mr. Platt fought for free competition in the oil industry and in publishing. As NPN founder, Mr. Platt, now retired, was invited to contribute an article for the anniversary issue. His remarks are presented below.

How Competition Flourishes

By Warren C. Platt

NPN Founder

COMPETITION is and has been, critics to the contrary, undoubtedly the greatest growth factor in the oil industry.

It has sent men and dollars, armed with the latest ideas and equipment in search of oil in the strangest and most distant places, and caused them to sit up many a long night to devise new and better products and the ways to make them; and competition has gathered billions of dollars of the public's savings for one of the largest and most profitable and safest industrial investments—and which dollars in turn have made for still more competition.

But little of today's glamorous bigness and efficiency was in the minds of the writer and a small group of friends who fifty years ago this month launched NPN for the chief purpose of helping to create and insure free and fair competition in the oil industry—as well as afford a possibly better livelihood to the writer than might be obtained digging up news for daily newspapers. The launching of NPN was modest, as in fact was everything else in the industry when measured by today's big standards. But fortunately the launching was applauded by about 100 oil men with their $1 subscriptions, and by a handful of others who bought four pages of advertising for the first issue. These friends, producers and refiners, however, constituted a fair part of the active "Independents" in the oil industry.

New Era Begins—But this launching turned out to be at the start of the great auto industry. It also was coincident to the discovery of some far larger fields of exceptionally good crude oil in the midcontinent which could be produced profitably at a new low cost. Also, most importantly, these fields were so located geographically and geologically as to confirm in many minds that there was surely an unlimited supply of oil in the U. S. A few thousand people started at once to find the proof of that belief, and were so successful as to keep the supply of low-cost crude abreast of the needs of the unexpected but ever increasing flow of automobiles.

Teddy Roosevelt—With this new era of unlimited power production, came also the unfettering of minds and laws to extend and insure the competition that might come from this new power. Various administrations at Washington and in many states had been promulgating this idea, but it was President Teddy Roosevelt who gave it its most dignified, auspicious and what turned out to be its strongest push to legal respectability. He caused to be filed the famous "dissolution suit" against the old Standard Oil Trust, as it was officially known at that time, asking that it be broken up into a score or more of its original parts, each of which thereafter were to compete actively and without any restricting agreements. This suit was in trial when NPN launched itself and its campaign for competition.

Facts and ALL the Facts

Up to about this time, something of the restrictive thinking and doing of business, large and small, obtained in publishing, especially to the end that magazines and newspapers should serve their owners rather than the interests of their readers in what they said in their columns. Editorial expression was just emerging from the highly personal stage where name-calling and distortion and downright misrepresentation and falsehood had prevailed. Newspapers in the oil region, and some others in cities, had long spoken only good things of the Big Competitor, and much ill of the Independents, even to the extent of ignoring them and their actions entirely except to condemn them when possible. So belligerent were these policies that some years later, one oil region paper quite partial to the Standard Oil interests, undertook to read this writer out of the industry and even out of the country. And the language used in attacking a competing newspaper publisher was nothing short of filthy but accepted as on the level, assumed permissible for the oil regions.

To the writer, who had been trained for seven years in the editorial end of the daily newspaper business outside the oil regions, with five of these years on the Cleveland papers of high standing according to the best rules of the publishing business, this oil situation was a royal opportunity to establish a modern type of paper devoted to printing without fear only the facts and all the facts of oil's great issues—enlisting, as it were, in the great cause of honest and open and constructive competition.

TRUE Independence—The writer by no means intends to suggest that the new Independent oil movement would have died without the coming and support of NPN, but this ex-publisher may fairly be granted some slight credit for fanning the dull, if not dying, embers on the hearthstone of true Independence in

(Begins on page 93)
oil, into live flames at least a few months if not even a few years, ahead of when they otherwise might have burst into flames.

Cries of 'Monopoly'—This glimpse of the past is given because few today probably realize the big accomplishments of the oil industry, accomplishments due to a complete change of thinking that began roughly fifty years ago, a change that is most marked in today's men who head the big oil companies, the old Standards as well as the new big companies, and also men who have founded and are bringing to great success the many "Independents" in all lines of the industry, and specifically including the manufacturers of new oil equipment that makes for today's great efficiency. Despite the cries at Washington of "oil monopoly" and the flood of suits which have not been supported by proof since the old "Dissolution suit" of 50 years ago, competition in all branches of the oil industry has grown by leaps; new and big companies are being formed all the time; their stock is dealt in on the New York Stock Exchange, as well as others; and as in other lines of industry, oil companies continue just naturally to grow from most modest starts to valuation of a few million and much more.

The same growth has obtained in oil publishing. Many oil papers have been started and many have died, but remaining are some strong publications that competition says are best serving the industry—in other words as in all business, these publications have succeeded. And they have succeeded because, like the members of all industry, the publishers have adopted the modern policy of facts and more facts so fairly stated that the reader can make up his own mind.

Special Studies

NPN not only printed the honest facts of the day's and the industry's news but it made what is now pretty much general practice, special studies—research—with intelligent reports on the industry's problems and opportunities.

One of the first of these just happened to be the merits of the then-new rotary drilling method, as against the time-honored "cable tool" method of the Drake's Well. At the start of this new method NPN was the only oil paper to make this presentation.

Digging for Information—Another highly competitive issue of those days was the merit of the so-called "cracking process," first brought to commercial and practical scientific standing by its adoption by the Standard of Indiana. As was the common practice in those days—and it is not uncommon today—the inventors and owners of this revolutionary process said as little about it as possible. But around the oil industry were bits of information on various phases of the process and ideas that lead to the process. These NPN dug out with a fair degree of success—a further contribution to competition in oil.

In the writer's humble opinion, probably about the biggest job we attacked and had something to do in winning, was changing—or perhaps only speeding up—the industry's thinking in one of the simplest laws of economics—the law of supply and demand. Of this law the average oil man was most ignorant, even to the extent of urging that it be "repealed" by whatever legislative body he thought had enacted it. Even men in management of the major oil companies, who had not yet thought of taking on economists, were ignorant.

Not Illegal—We hasten to assure any of the suspicious-minded who are always snooping around for a "monopoly" that there was nothing illegal in what we did, either then or since. In plain fact all we did was to print information about the industry when it could be used by oil men instead of letting it go into already dead government files and continuing to stay dead. There have been some people at Washington, and elsewhere, who seem to think that knowledge is all right so long as it is not used by a businessman to improve his business and profit.

Jobbers Aid Competition

Ever since the "dissolution decree" there have been many sell-outs by Independent jobbers, big and little, but another crop always comes to the top and the newcomers are as large as, or far larger, than the older ones. In practically all of these instances the reason for selling has not been because of poor business or being in a financial knot. The owners who had fought hard, did not have sons to hand the business down to and be sure it would be kept in good shape. Some sons did take over but many preferred to put "Dad's money" in another line, and did so often with equal success. In a small business—small compared to that of the "major oil companies"—it is hard to provide for competent succession to top management, just as the majors themselves have learned. The top developer has to develop them himself, which is of course a considerable gamble.

But the surprising thing about these sales of "the poor little jobber" is that when a sale is consummated—if not before—the bystanders open their eyes, and their minds, in wonderment at the price a major oil company has paid for the business.

Hard-Fighting Jobbers—All of the major companies have picked up profitable Independent jobbers like these since "free competition" came into the situation 40 and more years ago. Where they may have seemed to have pulled a lot of healthy competition out of an area, time soon brought up new competition that grew equally strong. The old Standare Oil Co. of N.Y., later the Socony-Vacuum Oil Co., and now Socony Mobil Oil Company, seemed to have cleaned up the strong jobbers in the Midwest a score of years ago when they bought a flock of companies in Wisconsin. But look at that area today, just as full of hard-fighting and profitable oil jobbers as ever.

Growth of Associations—The complete "independence" of individual oil men and groups the past fifty years, is also shown by the vast number of associations that have come and some of whom have gone. They each represented "competition" and they lived pretty much according to how well they served the cause of free competition.

The writer and NPN have always had an exceedingly warm spot in their hearts for these truly great factors of competition. We have gone out of our way to welcome them, to encourage them whether we agreed with them or not, because there are many "issues" in all industries that cannot be resolved by any single man or small group of men, or by any single answer, arrived at in a closet. Evidence of this truth lies in the associations that have grown and lasted over the years. ■

50th
ANNIVERSARY
1909—1959

A Quick History of Oil Marketing

IN 1909 Henry Ford standardized his Model T and announced: "I will make a motor car for the multitude." That can be called the birth of modern oil marketing.

The kerosine age was in its last gasps, and gasoline was in its robust youth. In a couple of years it was to displace kerosine as the major oil product.

Kerosine's market had begun to dwindle after 1900 with the coming of electricity and other substitutes for heat and light. Gasoline's market, mainly the automobile, was off to a good start.

Continued on the following page ►

1909-1911: The Decline and Fall

(Begins on page 95)

At the turn of the century there were only 8,000 cars and trucks registered in the United States. When Ford standardized his Model T he sold 19,000 in 1909 alone. Cars on the road at this time totalled about 312,000. A decade later the automobile had come into its own with 7,565,-446 registered in use.

Another force that was transforming oil marketing was the discovery and quick development of new fields of easily refined crude: Glenn, Salt Creek, Buena Vista, Cushing, Healdton. Crude production was 502,000 b/d in 1909 and it doubled in a decade.

One other event was to leave a major mark on the face of oil marketing—the dissolution of the Standard Oil empire.

David and Goliath?

In 1909—at the halfway mark between the founding of the oil industry and the present—one giant stood out in the marketplace: Standard Oil Co. (New Jersey). Its powerful arm reached to every state of the union and controlled about 85% of the total market for petroleum products.

Faced with the collective might of the Standard colossus, independent oil men had banded together in 1902 to form the National Petroleum Assn. They saw the "necessity of mutual aid to avoid extermination." The members came mostly from New York, Pennsylvania, Ohio and Illinois, but also from Kansas and Oklahoma.

The association's own historian had this to say about what conditions the independents were facing then and what brought them together:

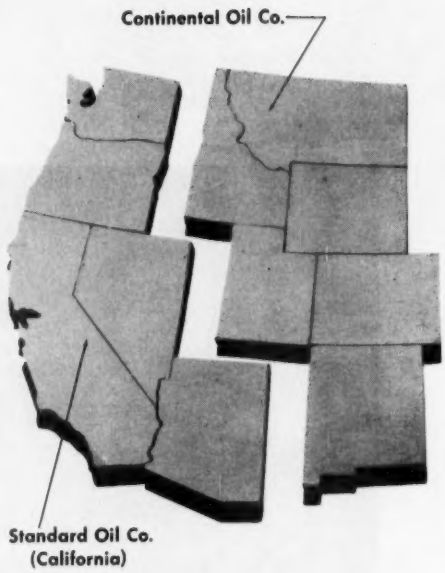
"There is a common impression that the petroleum industry was divided into two groups, clearly defined and sharply contrasted in all their characteristics. On the one side a group of fearless but peace-loving independents, few in number and weak in financial resources perhaps, but upright in conduct, clean traders, harmonious in their relations, intolerant only of iniquity and wrongdoing.

"On the other side the Octopus, merciless, greedy, controlling almost 90% of the industry and still insatiable.

"There is just enough truth in that picture to make it almost wholly wrong.

"Within the industry the tradition of these two groups persists and there is much to justify it. But whatever were the sins of the Octopus measured by the standards of today, it had no exclusive claim to indefensible business methods. It had the unity of purpose assured by unified control.

"With the independents there was no unity, even of purpose. Men are much alike wherever you find them and in both groups some men played fair, others did not. It was a fight for survival and the devil could take the hindmost."



By 1911, eleven Standard companies blanketed the entire United States

Standard's Marketing Empire

The forerunner of the Standard Trust and of later Standard companies, Standard Oil (Ohio), started out in 1870 exclusively in the refining phase of the business. But by 1880 John D. Rockefeller and his associates were fully embarked on the task of building a nationwide marketing organization.

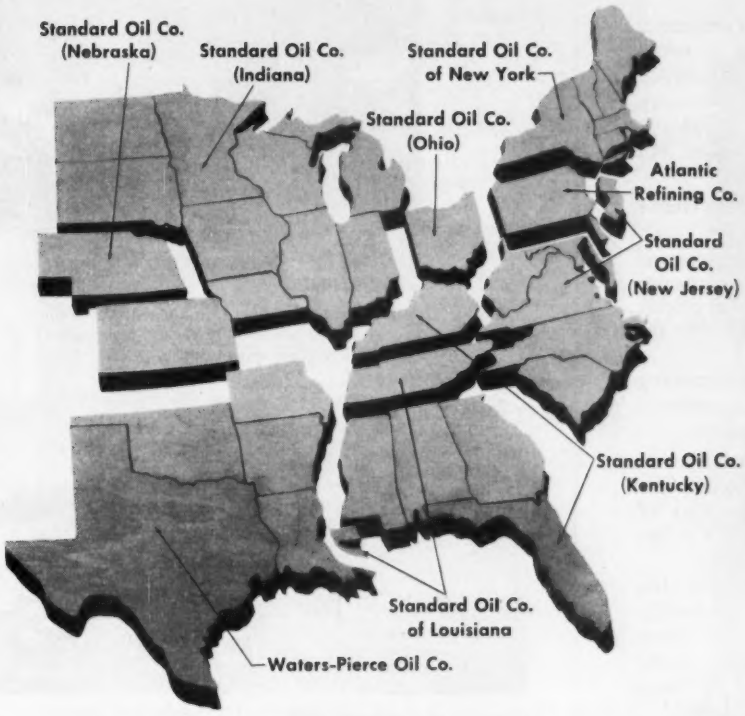
In many cases Standard bought out existing companies, but for the most part it expanded by organizing new marketing companies and by extending bulk plant facilities in areas where it was already represented. Standard had 3,570 bulk plants in 1906, primarily for kerosine.

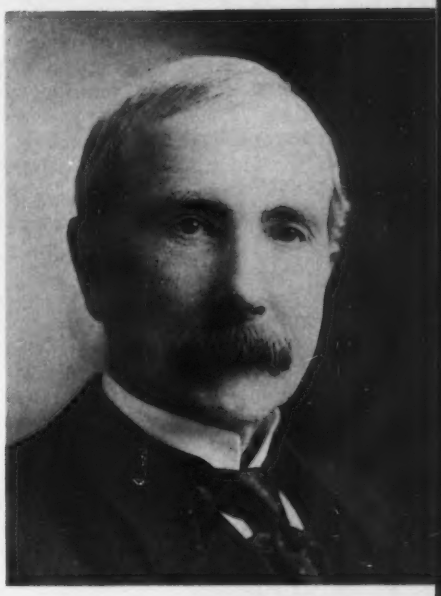
It was a seller's market in those years. The general price level was moving irregularly upward. Immigrants were flooding to the country in unprecedented numbers, assuring a rising demand for heat, light and energy. An industrial complex was growing like a weed, with an enormous appetite for petroleum fuels and lubricants.

Municipal, state and federal agencies were swinging into road construction programs demanding many types of road oils, asphalts, and macadam binders.

As the older oil fields in Pennsylvania, West Virginia and Ohio declined around the turn of the century, new and prolific sources of crude sprang up in Texas, Louisiana, Kansas and Oklahoma. In

of the Standard Oil Empire


Standard Oil Co. (Nebraska)
Standard Oil Co. (Indiana)
Standard Oil Co. of New York
Standard Oil Co. (Ohio)
Atlantic Refining Co.
Standard Oil Co. (New Jersey)
Standard Oil Co. (Kentucky)
Standard Oil Co. of Louisiana
Waters-Pierce Oil Co.



John D. Rockefeller made a billion dollars by eliminating competition. "Individualism has gone, never to return," he said

1901 Spindletop rocked the world with a 75,000-b/d gusher. Hundreds of oil companies were organized to produce, refine and market petroleum. Two of these that later grew into international giants were Gulf Oil and The Texas Co.

Standard, Standard, Everywhere—But there was always and everywhere Standard, experienced, enterprising, influential, sometimes unscrupulous, and usually smart.

Main bulk plants had been located strategically before the turn of the century, and Standard could concentrate on putting up substations and getting ever closer to the consumer.

Main stations stocked any commodity that might help sell oil products to retailers and households. One-man stations handled mostly kerosine and gasoline but offered heating and lighting devices at very low cost.

Inventories at main depots included—in addition to kerosine, gasoline and lubricants—such petroleum merchandise as candles, axle grease, crude and refined paraffin wax, petrolatum, sewing-machine oil, oils for casters, harness, belts, harvesters, and hoofs; floor dressing and many other specialties.

So-called "outside oils" included linseed, cottonseed, fish, whale, sperm, seal, porpoise, neat's foot, lard, tallow, colza, and rapeseed.

Some miscellaneous items were fuel oil, gas oil, pine tar, pitch, lime, rosin, white lead, cans, tanks, wicks, candelabra, candle shades, lamps, stoves and heaters. Turpentine and "mineral turps" were also available.

These plants were indeed in business.

Plying the Trade—Standard salesmen were everywhere plying the usual trade and looking for new business. They missed few bets. Even the first flight of the Wright Brothers at Kitty Hawk, N. C., in 1903, was supplied from wooden gasoline barrels and lubricant cans brought by Standard salesmen.

Standard tank wagon drivers, making their rounds with customary horses and wagons, had their own tricks of the trade. One was to demonstrate the superiority of their kerosine over a competitor's by showing how the chimney of a lamp smoked up less (the trick was to use an old chimney with your own product and a new one with your competitor's, knowing that new chimneys smoke up more quickly than used ones).

Kerosine and gasoline were often carried in cans and wooden barrels (for which retailers were sometimes charged full price). Tank wagon drivers transferred product to storekeepers' five-gallon "milk cans."

Standard Starts to Slip—Standard Oil marketers used practically every available instrument of mass distribution—tank cars, bulk stations, tank wagons,

(Begins on page 95)

wooden and steel barrels and drums, cans, brands, trademarks, and advertising.

But so did Standard's competitors—sometimes before Standard and sometimes after.

As the independents grew and got experience, they began to make bigger marks in the business. Standard's share of the kerosine market slipped from 82.1% in 1900 to 75.3% in 1911; its share of the naphtha and gasoline market from 84.4% to 74.3%. These were not sensational losses, but the tide was running.

Standard was not moving fast enough. Here's how Jersey Standard's historian put it:

"In a market characterized by a dwindling demand for kerosine and a rapidly expanding one for gasoline and industrial fuel oil, the changes were too quickly effected for the combination to keep pace with the growth of the industry."

And in many areas Standard was maintaining unnaturally high price levels, holding an umbrella over its energetic competitors.

The "Trust Busters"—Standard's monarchy over the American oil market was soon to end. The feeling against trusts was running high. Talk of "reformation" was in the air. Standard Oil Co. became a prime target.

Fuel was added to the fire by two books, Ida M. Tarbell's *The History of the Standard Oil Co.* and Henry Demarest Lloyd's *Wealth Against Commonwealth.* And Standard Oil was singled out by newspapers and national magazines and by "trust buster" President Theodore Roosevelt himself.

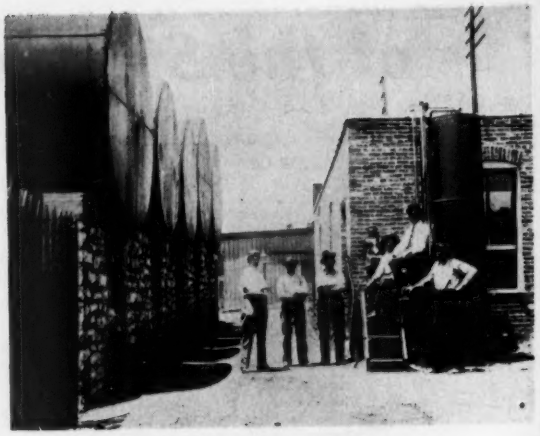
Standard was charged with securing railroad rate rebates not available to its competitors, with owning hidden companies, of cutting prices to drive out competition, and of spying on competitors.

All these charges were found to be true, in varying degrees and at various times. It made little difference that other businesses and other companies used the same or similar methods, or that some of these practices were inheritances of a no-holds-barred era. The plague was on all monopolies, and Standard was one of the biggest.

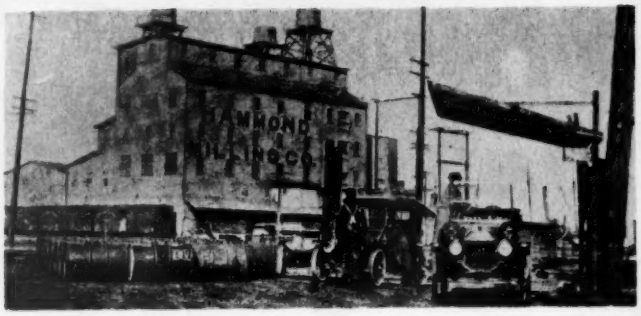
While the process of Standard's dethronement continued, many important oil concerns were organized and expanding. Among them were:

American Oilfields Co. (Calif., 1910), American Petroleum Co. (Calif., 1908), Associated Oil Co. (Calif., 1901), Gulf Oil Corp. (New Jersey, 1907), Indian Refining Co. (Maine, 1904), National Refining Co. (Ohio, 1906), Pure Oil Co. (New Jersey, 1895), The Texas Co. (Texas, 1902), Tide Water Oil Co. (New Jersey, 1888), Union Oil Co. of Calif. (Calif., 1890), and United Petroleum Co. (Calif., 1899).

The axe fell on Standard as a nationwide combination in 1911. The U.S. Supreme Court ordered Standard dissolved into 30-odd companies. The way was cleared for a battle royal among oil companies on a more nearly equal footing, and the independents lost no time.



Automobile Gasoline Co. opened a station in St. Louis around 1907. Its equipment included a glass gage and a garden hose



Standard of California built a station in Seattle in 1907

1911-1919: The

THE INDEPENDENTS were fast-moving, young and lithe. They had grown sinewy in survival against the King of Beasts. In an age of dynamic growth and change in the oil market, this actually gave them a competitive edge.

Standard had vast investments of money and experience in the kerosine age, and it was slow to break from marketing patterns it had worked 30 years to develop. The rugged independents had fewer preconceptions about the petroleum market and fewer ties to the past.

Independent jobbers, who numbered only about 125 in 1909, began to spring up in many areas, but they were not to come into their own until the wide-margin Twenties.

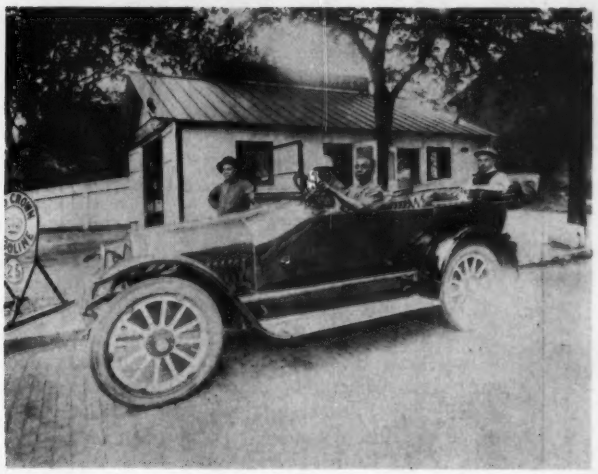
The top-heavy Standard combine hadn't cultivated free-wheeling management in the subsidiaries, and dissolution found some companies still looking to 26 Broadway for command decisions.

Shell Lands in America—Standard's activities

Central Oil Co. built what may be the first drive-in in Detroit in 1910. It featured a pump on an island

A GALLERY OF EARLY SERVICE STATIONS

By 1919 stations merchandised harder. But note the primitive filling system



Sohio's first station was opened in 1913

Curbside stations appeared around 1915

Growth of Competition

outside the United States were having repercussions at home. The giant was price-cutting overseas, and some companies felt Standard shouldn't be allowed to make up localized foreign losses with profits derived from the American market.

One dissident was the Royal Dutch/Shell group. Shell had been selling some 5-million to 8-million gal. of Sumatra gasoline a year to Standard of California for distribution on the Pacific Coast. When Standard suddenly cancelled the arrangement in 1910, the Royal Dutch Group's Sir Henri Deterding said enough was enough.

What better way, Deterding reasoned, to get rid of all this gasoline than to sell it where Standard had been selling it—on the Pacific Coast. So Shell established what was one of the first strictly gasoline companies in the U. S.—the American Gasoline Co.—in Seattle in 1912.

Shell made arrangements with some local businessmen to take on gasoline as a sideline. It paid them a commission, usually about 2¢ a gal. That was cheaper than the same volume of trade could be handled by company men.

Dispensing gasoline at this time was a chore. A dealer would fill a five-gallon can from a barrel stored in a small shed back of his shop. He'd carry it out to the curb and pour the gasoline into the tank through a chamois-lined funnel.

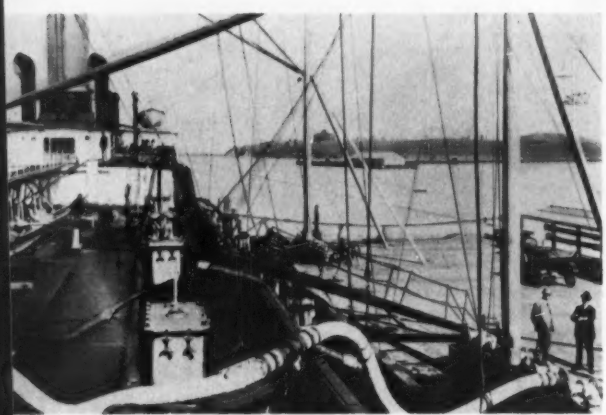
Under such circumstances, it was natural that the idea of a service station, where a motorist could drive in and get his tank filled conveniently, would spring up. The idea seems to have occurred to several companies about 1907.

Standard of California claims to have established the world's first service station at Seattle in 1907. It consisted of a feed line from the main storage tanks to a 13-gal. tank, a glass gauge, a valve-controlled hose, and a display of oils and greases on two shelves.

Shell's historian says the Automobile Gasoline

(begins on page 95)

Women manned pumps in World War I . . .



Unprecedented oil liftings backed the war effort . . .

. . . And waggish New Yorkers celebrated the first "gasless Sunday" this way in 1917

Co. built the first of a small chain of drive-in stations in St. Louis in 1905. (NPN articles, however, reported later that it didn't start until 1907.)

In the same year, the Oriental Oil Co. opened a filling station in Dallas, Tex., and a drive-in station in 1911.

A glimpse of the future service station could be seen in an outlet built in Memphis, Tenn., in 1912 by Standard Oil Co. of Louisiana. It had 13 pumps (located in a rear yard), with a ladies' rest room and a maid who served ice water to customers.

During this period practically all companies expanded their markets, but independents took a growing percentage of the market at the expense of the Standard successors.

Meanwhile something was happening overseas that was to take over the destiny of oil marketing for a few years.

This was World War I.

Oil Goes To War

The British Navy's conversion to oil in about 1913 demonstrated the importance petroleum products would have in time of war.

A more dramatic demonstration was the charge of the "taxicab army" scarcely a month after the war began. A fleet of taxis, trucks and private autos, loaded with a makeshift army of Parisians had turned the tide of the First Battle of the Marne in favor of the British-French allies.

At one point during the war, when the submarine was cutting off oil supplies to Europe, Marshal Foch declared: "We must have oil or we shall lose the war."

He got the oil, mostly from the Western Hemisphere, but to deliver it the Amerian oil industry had to go all out. The staggering coordination job was done by the Petroleum War Service Committee, headed by Jersey Standard's A. C. Bedford.

Out of the Petroleum War Service Committee grew the national association called the American Petroleum Institute.

Meanwhile refiners were making giant strides in gasoline manufacturing. The most important technical development in the history of petroleum refining was the discovery in 1911 of thermal cracking by Dr. William M. Burton and his associates of Indiana Standard. The process was put on stream in 1913, and it made not only more but better gasoline.

But it was a batch process, and refiners wanted a system that could run continuously. Several of these were developed during and after World War I. They greatly increased the quantities of gasoline on the market.

So voracious was the appetite of the American public for gasoline to become, however, that even these revolutionary developments were to prove inadequate in the years to come.

Young Americans hit the roads in droves during the 20's, pushing gasoline consumption to new highs

1920-1929: The Restless Twenties

IN THE YEARS that followed World War I, there began a mass exodus from the American home. The 2-million young Americans returning from the war, and other members of the "Lost Generation," would not be stay-at-homes. They took to the roads in droves.

By 1924 Ford got his price for a Model T down to $265, and you could pick up a second-hand job for as little as $25.

The automobile was a major factor in overcoming the isolation of the American farmer. This was accompanied by an industrial revolution on the farm. The internal combustion engine was displacing draft animals in plowing, harrowing, sowing, fertilizing, cultivating, harvesting and hauling.

Engine compression ratios were advancing, and so the demand grew for gasoline with better anti-knock qualities. Cracked gasoline was better than natural gasoline in this respect, but still not good enough.

In 1922 tetraethyl lead was discovered to be an excellent anti-knock material when added in small quantities to gasoline. Two years later General Motors and Jersey Standard formed the Ethyl Corp. to make and sell this compound.

By 1925 there were 20-million motor vehicles on the road in the U. S.

But while the uses of petroleum products grew, so did the production of crude oil. The World War had helped spur quests for oil, and many paid off in the Twenties.

In the scramble for the burgeoning market, marketing facilities were overexpanded. In the decade from 1910 to 1920, the number of service stations had increased an average of 1,200 or more a year. By 1920 there were 15,000. But in the Twenties, the growth increase averaged about 12,000 a year. By 1933 there were 170,000.

The inevitable results were price wars and market chaos. Price cutting, secret rebates, and other concessions were given to certain tank-wagon and service-station customers.

Growth of the Jobber

With refineries crying for more market, jobbers could get handsome contracts. Buying for so much above the tank-car spot market or so much below the going tank-wagon price, jobbers had a sort of fixed margin.

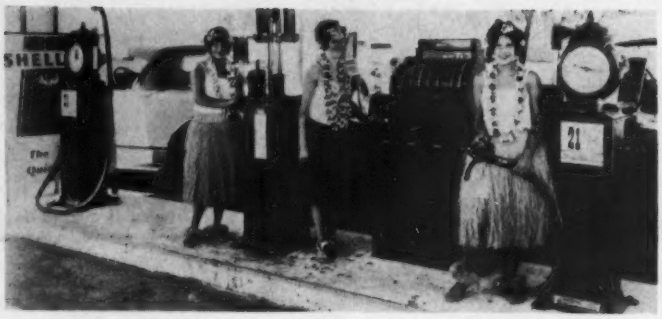
The wide margin in the Twenties between the tank-wagon price and the tank-car market helped increase the number of jobbers and strengthen those already in existence.

There was a ratrace to secure dealers. Some refiners began installing pumps and underground tanks at hardware and grocery stores, garages, and at privately built service stations. If a dealer didn't have much money, the refiners offered to furnish equipment free or for nominal rent. Competitors soon followed suit.

Independent oil companies, fighting tooth and nail for more market, were quick to undersell the Standard successor companies. And this gave jobbers in some areas added incentive.

The independents, too, were buying up jobbers fast and furiously. They found it a quick and sure way to get into a new market.

The Rise of Premiums—In this climate, many marketers began offering premiums as an induce-



Grass-skirted lovelies at this Honolulu Shell station reflected the flamboyant spirit of the Twenties

(Begins on page 95)

ment to purchase gasoline. A favorite premium was sofa cushions, sold at cost to regular customers who accumulated a certain number of coupons given with gasoline purchases. Other stations offered flashlights, auto robes and chinaware.

In an attempt to create a more orderly market, The American Petroleum Institute stepped into the picture in 1928 with a code for marketers of refined oil products. The rules covered what were described as illegal, unethical and bad business practices. The code was approved by the Federal Trade Commission and in two years signed by almost 16,000 marketing units, but it collapsed with the coming of the depression.

Multiplying Like Flies—The number of oil companies increased unbelievably in the Twenties.

In the huge Midwest market of Indiana Standard, there were 675 oil companies in 1920 selling gasoline through about 615 service stations. By 1929 there were 15,421 oil companies, large and small. They had 9,027 bulk stations and 24,246 service stations.

In the mid-Twenties, Indiana Standard was still the country's largest gasoline marketer, but independents were clearly moving in. Here's how the percentage of gasoline sales stacked up in 1927 in Indiana Standard's Midwestern back yard:

Standard, 35.5%; Sinclair Consolidated, 9.7%; Roxana (Shell), 8.7%; Texas, 3.8%; Pure, 2.7%; Tide Water, 1.4%; Producers and Refiners Corp., 1.1%; all other companies, 37.1%. The market was 60.8-million bbl. (50 gal. to the barrel).

This was the year Texaco was selling products in 46 states, the broadest territory of any domestic marketer at the time. But more than half of its sales were in Texas, New York, Florida, North Carolina, Illinois, Virginia, New Jersey and Pennsylvania.

Standard successors still had the top spots sewn up in the motor fuel market. In 1926 the first three were Indiana Standard, with 11.8% of the national market, Jersey Standard with 9.5%, and Standard of New York (now Socony Mobil), with 9%.

In the rush for business, oil marketers didn't do much planning for the future. They didn't see the crash of 1929 coming, or the depression of the Thirties. And they could scarcely have believed that even worse things were in store for them.

Proliferating automobile makes didn't bother Standard Oil Co. of California. It boasted an oil for every one

How the 'Dixie' and 'Red Hat' Gasoline Brands Were Born

DURING THE GALLONAGE WARS of the Twenties, many jobbers became increasingly aware of their handicap in not having well-known brand names. Some had no brand names, and thousands had relatively unknown brands.

They couldn't match the big money being poured into brand identification by the Standard successors, independents and large jobbers.

Two significant attempts were made by jobbers during this period to promote a collective brand, and both enjoyed some success, at least for a time.

• "Dixie" was incorporated in Michigan in 1926 by seven jobbers organized as the National Dixie Distributors Assn. Subsequently it spread to Wisconsin, Illinois, Missouri, Iowa, Kansas, Nebraska, Colorado, Oklahoma, and Texas, and recently to a few other states.

Dixie grew to 150 jobber members in 1936, with estimated annual sales of more than 175-million gal. Atrophy set in during the 1940's, and although the organization still exists, current membership is no more than 50.

• "Red Hat" was adopted in 1925 by the Independent Oil Men of America, a jobber organization that can trace its history back to the Independent Petroleum Marketers Assn. formed in 1909.

Under the "Spread Eagle Emblem," IOMA members were marketing Red Hat gasoline in more than 4,000 towns in 1926. Today there are only a handful of "Red Hat" marketers.

Marketing was sadly overbuilt for the depression. This split station had 15 pumps, but few customers

1930-1939: The Grim Thirties

As if the depression of the Thirties wasn't enough for any business to contend with, the oil industry had more serious problems. The early part of this decade has been described as the most disastrous period in its history.

In the three years between 1929 and 1932 national income shrank by nearly 50% and a total of 2,656,000 cars and trucks were taken off the road. Gasoline consumption decreased a billion gallons a year in both 1932 and 1933.

But this decline was a mere shadow of what was going on in other businesses, and some oil marketers have said the gasoline trade hardly knew there was a depression. People clung to their mobility even in poverty.

If the market for oil's major product hadn't held up, what might have happened to the industry can only dimly be imagined. For at this time an abundance of cheap oil exploded on the market and prices tumbled to levels that left even pessimistic marketers of the Twenties gaping.

The Deluge—The largest oil field in history was discovered in East Texas in 1930. Production from this field alone ran to an average of some 300,000 bbl. a day, and twice it exceeded 1-million bbl. a day. With flush production in California, at Greater Seminole, at Oklahoma City, and in West Texas, the market was soon hopelessly flooded.

A wave of cheap third-grade gasoline engulfed the country. Gasoline sold in some metropolitan areas for 9¢ and 10¢ a gal. (ex tax). The national average of retail gasoline prices dropped from 17.9¢ in 1929 to 12.4¢ in 1933.

To make matters even worse, oil marketing had been expanding too fast all through the Twenties. One marketing authority estimated in an NPN article that 70% of the new marketing facilities and about 90% of the new refining facilities built in this decade were the result of overproduction and not demand.

With an abundance of third-grade gasoline available at almost any price, ruthless competition sprang up. Price cutting took over the marketplace.

The Birth of Private-Branders—A significant development was the emergence of the trackside station, pumping gasoline directly from tank car to auto. This was the forerunner of the multipump private brander.

The established companies challenged the cutraters. On the Pacific Coast almost all majors set up so-called secondary or "concubine" companies to compete in price markets. Almost all majors in the country introduced a third or "fighting grade of gasoline in the early Thirties.

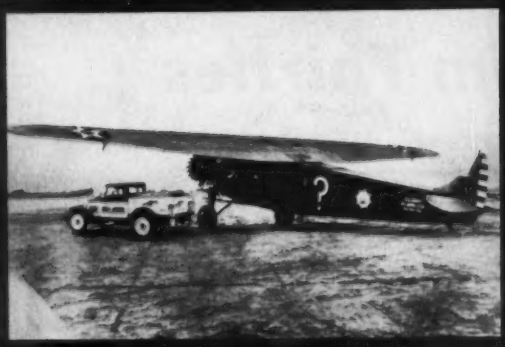
The private-brand companies were soon to inherit the name of "independents," which the former owners had outgrown. All through the Twenties and Thirties, the distinction between independent and Standard successor companies had been getting lost. Some of the so-called independents had grown bigger than some of the Standards.

The name "major" made more sense and came to be universally applied.

The top four majors in the country in 1935 were Socony Vacuum with 8.7% of the market, Indiana

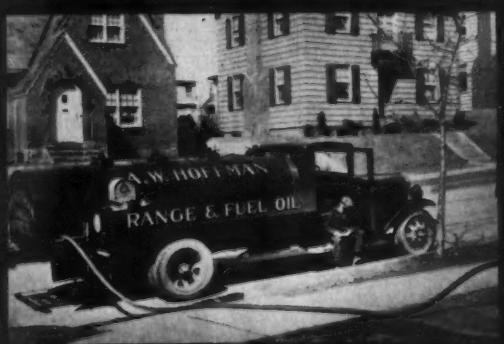
Business had slowed to a walk by 1932 and 1933. Gasoline demand dropped a billion gal. each year

Thousands of marginal outlets did little or no business in the 30's. All sported the NRA "We do our part" sign



Aviation—both military and commercial—was a big factor in countering sagging retail gasoline demand

Diesel markets boomed after the Burlington Zephyr used only $14.88 worth of fuel in its Denver-to-Chicago run



Oil burner sales doubled in a decade, as lower prices and cheaper burners made oil heat competitive with coal

(Begins on page 95)

Standard with 8.5%, Texaco with 7.5%, and Shell with 6.3%. The last two were former independents.

Order Comes to the Market—One of the first reins on the wild market came from Washington. The new administration, trying to do something about the faltering economy, took sweeping powers over industry. One move was the adoption of the National Industrial Recovery Act.

The NIRA, later declared unconstitutional, got the oil industry to draw up a "code of fair competition." If nothing else, this had the effect of calling a halt to throat-cutting long enough for marketers to get control of a situation that was rapidly getting out of hand.

On the production end, an orgy of leasing and drilling in the East Texas field brought about the realization that some planning and order was called for. Three major events took place in 1934 and 1935: (1) Strengthening of the Texas conservation laws; (2) passage of a federal "hot oil" law, forbidding the interstate transportation of oil produced in violation of state regulation, and (3) formation of the Interstate Oil Compact Commission.

With the help of these measures, and with demand once again on the uptrend, the industry was beginning to see its way out of the woods.

Oil Spreads Out

Not only was the demand for oil products increasing, but the market was diversifying. At least three important new markets came into their own in this period: heating, diesel fuel, and aviation.

Oil for Home Heating—Domestic oil heating had started about 1917 during the wartime coal shortage. At that time engineers came up with a practical oil-burning appliance.

By 1928 there were more than 400,000 homes heated with oil. Nearly 120,000 oil burners were sold in 1929, and sales were on the rise. But oil heat was still a luxury.

With the lower fuel oil prices of the depression, and with cheaper burners on the market, oil began to compete with coal in home heating. In a few areas, such as New England, fuel oil could even undersell coal.

As a result, the number of domestic oil burners increased sharply in the mid-Thirties. Burner installations passed the million mark in 1935, and by the end of the Thirties had nearly doubled.

Diesel Fuel—The diesel revolution in railway transportation began in 1934. That year the Burlington "Zephyr," a diesel-powered stream-lined passenger train, sped from Denver to Chicago at an average speed of 78 miles an hour. The fuel bill for the 1,000 miles was only $14.88—compared with $225 for coal for a steam locomotive.

There were diesel locomotives in use earlier than this, but they were used mainly for switching.

Aviation Gasoline—The number of private planes increased greatly with the popular enthusiasm that followed Lindbergh's sensational flight to Paris

in 1927. And it was shortly after this event that oil companies began setting up special departments to handle aviation sales.

The private plane market was still dominant at this time. In 1929, of the total 20.5-million gal. of gasoline sold for aviation purposes, less than one-third was used in scheduled airline operations.

The next year sales of aviation gasoline to airlines pulled abreast of private plane consumption. By 1935 airlines were using two-thirds of all the aviation fuel sold.

This trend had been accelerated greatly by the introduction of the Douglas twin-engine DC-2 to commercial aviation in 1933. Two years later Douglas Aircraft put out the DC-3, with higher horsepower and larger carrying capacity, and sent the aviation gasoline business skyrocketing.

New Market Trends

During the Thirties three significant trends shaped up in the oil market: the cooperative oil company became an important factor, lube bays and display space came to service stations, and stations were leased to dealers on a broad scale.

The Rise of Co-ops—In the inflated years after World War I, farmers hadn't shared in the growing prosperity of the nation. This relative poverty, coupled with the mechanization of the farm, encouraged farmers to get together in groups and buy gasoline by the tank car.

The growth of co-ops was stimulated by the wide margins of the Twenties and by exemption from federal and state income taxes.

The depression gave further impetus to this trend, and in rural areas co-ops soon became businesses to reckon with. By 1932 there were 1,002 cooperative companies with 1,168 oil outlets in the Midwest farm belt.

Lube Bays and TBA Space—During the Twenties the stiff competition for the motorist's dollar had got many marketers to give service and sell other products. When profits skidded in the Thirties, these trends were accelerated.

In lubrication, companies began adding lube bays to stations, with workbenches and pits or lifts for getting under the car.

They started giving space for displaying tires, batteries and accessories, and in some cases set up merchandise rooms. Island display was emphasized.

But many of these developments were held back by shortage of capital. The big changes would have to wait until more prosperous years.

The Iowa Plan—The Iowa Plan started as a temporary solution to an immediate problem, but it caught on and became a dominant feature of service station operation.

It began in a war against chain stores. The number of retail outlets belonging to chains increased greatly in the late Twenties. Local merchants, hurt by the depression, sought legislation designed to curb the chains. By 1935 no less than 104 anti-

Bizarre stations were the order of the day. The pagoda style was used by Wadhams Oil Co. in the Upper Midwest

Equipment was grotesque, too. Jenney sold four grades through separate pump units encased in copper housing

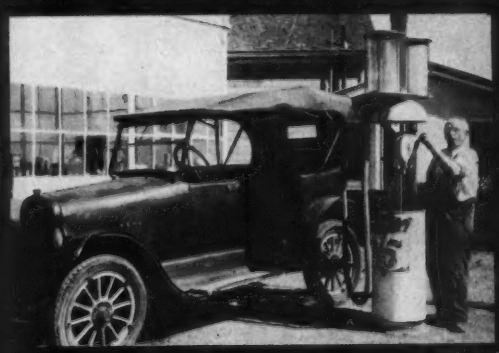
But marketers were learning more about merchandising. TBA items began to appear in pump island display cases

Some stations even looked ahead to the "modern design" of the 40's. This Cleveland station was built in 1934

With marketers swimming in loose third-grade gasoline, low-price trackside operators multiplied prolifically

Stunt merchandising hit a new high in 1935 when Sun Oil chilled a car one mile up to test starting properties

The 1933 World's Fair, with its "Century of Progress" theme, sparked a rush of futuristic tank truck designs



But the end of the depression left a backwash of old and obsolete equipment. This picture was taken in 1937

(Begins on page 95)

chain-store bills had been introduced in the states.

The definition of a chain store varied from state to state, but in Iowa it included service stations. Under this law, every station belonging to a chain of more than 50 outlets had to pay a tax of $155 a year, and gross receipts of the chain were taxed up to 10% for receipts of $1-million and over.

Indiana Standard, with about 850 company-operated outlets in Iowa, would have had to pay more than $1-million in taxes a year. To avoid this payment, Standard announced in May 1935 that its Iowa stations would be leased to their managers wherever practicable, and otherwise to outsiders.

Soon there was a rush by other companies in many parts of the country to convert to the Iowa plan. During the next few years most of the major-company outlets in the Mid-Continent and on the Atlantic coast were put in the hands of dealers.

The Top Twenty Majors

By the late Thirties, the ranks of the top 20 oil companies (based on refinery capacity) included 12 of the original independents. The other eight firms were parts of the former Standard empire. Here's how the list looked in 1938:

	Company	Cacacity (b/d)
1.	*Standard (New Jersey)	432,200
2.	*Socony-Vacuum	347,400
3.	Texas	324,500
4.	*Standard (Indiana)	269,100
5.	*Standard (California)	251,500
6.	Shell-Union	251,200
7.	Gulf	219,000
8.	Sinclair	208,000
9.	Tide Water	132,000
10.	Cities Service	110,500
11.	*Atlantic	107,000
12.	Pure	95,500
13.	Union of California	94,200
14.	Sun	89,000
15.	Phillips	64,000
16.	*Standard (Ohio)	56,100
17.	*Continental	46,250
18.	Mid-Continent	40,000
19.	*Ohio Oil	24,000
20.	Skelly	23,000

*Standard companies prior to dissolution.

Breaking the Octane Barrier—Octane numbers, a means of measuring anti-knock characteristics of gasoline, were devised in 1933 (motor octane numbers) and 1939 (research octane numbers). These helped refiners make better products.

Thermal reforming came along in the Thirties, converting gasolines into higher octane gasolines, but the limit was still 80 octane.

The octane barrier was broken in 1936, when Eugene Houdry, with the backing of Socony Vacuum and Sun, developed catalytic cracking. Ninety-plus octanes soon became possible, and the door was opened to the octane scramble that was destined to come later to oil marketing.

1940-1945: The War Years

IN WORLD WAR II it ceased to be true that armies marched on their stomachs. Instead, they were floated into battle on a sea of gasoline and oil.

During the Allied pursuit of the German army across France, U. S. troops required six times the tonnage in gasoline that they did in food, and four times the tonnage in munitions.

Even though Gen. Patton had all his supply trucks filled entirely with gasoline, eliminating other necessities, his troops had to stop at the German border for lack of fuel. The army was halted two months until the supply line could be routed through Antwerp instead of Normandy.

The defeated German enemy was found starved for oil, with grounded planes, bicycle troops and horse-drawn artillery at the front. Japanese warplanes in the end had to be run with alcohol derived from food and with a fuel made by hydrogenating pine roots.

It was clear that although you might lose a war even though you had oil, you couldn't win without it. And so while the war went on, consideration of the domestic oil market had to take a back seat.

Marketing at Home—U. S. oil marketing in World War II was grim.

Sales through bulk and retail outlets were drastically reduced because of gasoline and tire rationing and the cessation of automobile, truck and farm machinery manufacture for civilian use.

In 1944, sales through retail dealers in the Midwest were only 68% of what they were in 1941.

One of the most trying tasks oil marketers were called on to perform was to sell the need for conservation. After years of selling oil consumption, it wasn't easy to extoll the virtues of cooler homes, slower acceleration of autos, and less use of oil products in hundreds of other areas.

The driving public, home fuel oil buyers, and other users of petroleum products were often not easy to get along with, either. They sometimes took out their feeling of harassment on the nearest guy, who often was the oil marketer.

Marketers at home had their problems, too. The black market in ration coupons was one

Gasoline and oil played key roles in World War II

Many stations were boarded up, and thousands of marketers went off to help fight the war.

Under severe limitations of delivery facilities and manpower, oil marketers had to keep alive the functions of oil marketing. While the priority was clearly on military requirements, the quantities of petroleum products needed to keep the civilian economy going were more than double the total demands of the military.

Many competing bulk plants were closed and a somewhat standardized "pooled" gasoline was delivered to nearest stations regardless of brand.

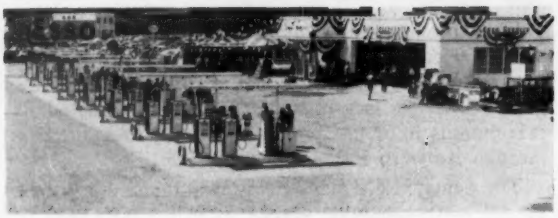
A pall of half-death had fallen over oil marketing across the country.

Eyes Ahead—In such circumstances, most oil men were resigned to marking time, and they tried to cheer themselves up with looks at the future. They rubbed their hands at the prospect of a postwar gasoline-buying binge by the frustrated public.

Many companies made plans to win over more of the domestic market in the turmoil they knew would accompany the revolution back to "normalcy." But scarcely anyone, even with crystal ball and opium pipe in hand, foresaw the scope of things to come.

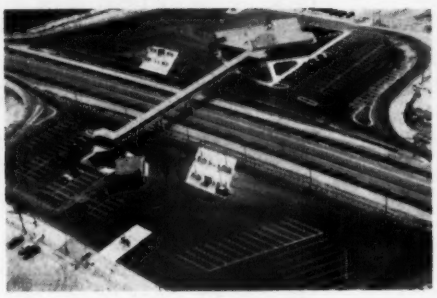
Direct delivery is changing distribution patterns

Octane race affects merchandising



Multipump stations are a strong postwar trend

Credit card business is enjoying a national boom



Turnpike stations are bigger, costlier

1946-1959: The Postwar Boom

THE END OF WORLD WAR II brought an era of great expansion. The oil marketplace hadn't looked better in many years. There were plenty of eager customers, ample products, enough volume to permit lower unit costs, and firmer prices.

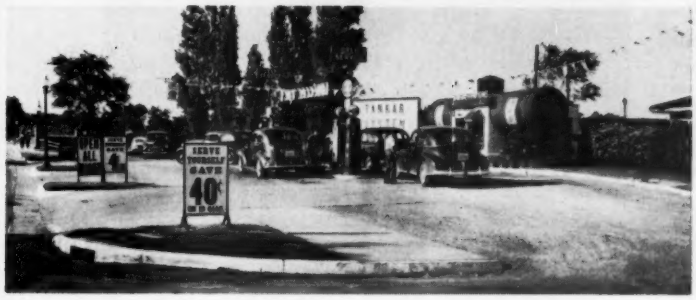
Growth in the next decade was not to be measured in meager percentages. Some things doubled, tripled and quadrupled. Within 10 years after V-J Day there were more than twice as many cars on the road and by 1958, there were over 67-million.

In a decade, automotive gasoline consumption mushroomed to about 60-billion gal. With such stakes, competition was fierce and changes often rapid. Big events shaped up in the marketplace. Here are some of the most significant:

- **Bypassing**—The postwar shift is to bigger station tankage, fewer bulk plants serving larger areas, truck transport deliveries direct from refinery.
- **Credit Cards**—Concerted drives by oil companies to enlist credit customers. Plastic cards and imprinters introduced. Credit accounting goes to automation. All-purpose credit cards gird to invade gasoline retailing.
- **Growth of Private-Branders** — Hurt by the war, they expand greatly afterward. Earlier they confined themselves to locations accessible to tank cars, but the shortage of tank cars during the war brought about widespread use of transport trucks. This enabled private-branders to break out of their trackside straight-jacket.
- **The Octane Race** — Higher-compression engines increase demand for higher octane-number gasolines. Catalytic reforming comes along to help meet that demand. Once a simple fraction of crude petroleum, gasoline becomes a blend of carefully selected fractions. Octane numbers climb to 100 and beyond. Sun Oil Co. comes out with five and then six grades, dispensed from a single, multi-selector blending pump. Half a dozen other majors market a third "super" grade.
- **Station Premiums** — Everything from trading stamps to mink coats and Cadillacs. Tough competition and the drive for volume seem to be be-

Premium and giveaway promotions reached new highs during the 50's

Dealer training is bigger than ever



Private branders have grown greatly since the war

hind the trend. Premiums aren't new, but the scope of their use is.

- **Multipump Stations** — With high volume the goal, companies install a dozen, 20, or even more pumps at a single outlet. The trend is to "supermarket" retailing, even in oil.
- **The Dealer Problem** — Companies begin spending more money and time than ever before in improving the caliber of dealers. Distributive education courses pop up in high schools, universities and by correspondence.
- **Turnpike Stations**—They arise in connection with the postwar spread of toll roads and superhighways. These stations are usually company-owned, and serve as labs for merchandising, training and operations techniques.

Other Oil Markets Boom

Behind the postwar expansion was an industrial capacity that had been virtually doubled in the war effort. Consumers had $100-billion of savings. Energy consumption rose by about 50% in the decade, and an increasing share of it went to oil—34% in 1946 to 44% in 1956.

Total demand for all products refined from oil leaped 60% in the decade following World War II—from 1,989-million bbl. in 1947 to 3,218-million bbl. in 1957.

Heating Oil—The oil market for home heating grew greatly in postwar years. The number of homes using oil heat climbed to more than 16-million in a little over a decade. More than 9-million of these were centrally heated.

While coal's use in home heating declined steadily over the years, another fuel entered the picture and became a powerful market force after World War II—natural gas.

This fuel had been used for home heating even a few years earlier than oil, but only in areas around gas-producing fields. In these regions there were about 1-million centrally gas-heated homes in 1940.

The big impetus to gas came from the pipeline building of World War II. Gas distributors leased pipelines built by the government in wartime, and piped their product to many new areas of the country.

Because of the low installation cost of gas equipment, many of the millions of new homes were built to use gas heat. A dozen years after the war,

(Begins on page 95)

gas was heating 23-million U. S. homes, almost 10-million of them centrally.

Aviation Fuel—Postwar developments in aviation and rocketry have been staggering.

In a few short years the space age and interplanetary rockets have arrived, and no one can yet assess how they will ultimately transform oil marketing. Many rockets use oil-based fuels—but many don't.

Another development, somewhat less dramatic only by comparison with rocketry, is jet aviation. Its effect on oil marketing can be more accurately gauged.

Jet planes came into their own after World War II. By 1952 some 20-million bbl. of jet fuel were sold annually, but in only five years this jumped to 73-million bbl.

The dawn of commercial jet aviation last year opened up a new era for jet fuel, which is expected to really arrive in the U. S. in 1960. Anticipated demand that year will be about 110-million bbl.

Demand for aviation gasolines more than tripled in the postwar decade—from 21.6-million bbl. in 1947 to 73.4-million bbl. in 1957.

Diesel Fuel—Total demand for diesel oil increased about 162% in the years following World War II—from 69.9-million bbl. in 1947 to 183.4-million in 1957.

Much of this gain was chalked up by diesel-electric trains, which more than quadrupled their use of oil from 1947 to 1948—20.5-million bbl. to 83.6-million bbl.

Residual Oil—Because of growing competition from natural gas and other factors, growth of the residual fuel market didn't keep pace with that of most other petroleum products. Sales were 518.5-million bbl. in 1947 and 548.8-million bbl. in 1957, a rise of 5.8%.

LPG—A "peanut business" before 1926, the liquefied petroleum gas industry enjoyed only modest gains until the market skyrocketed after World War II. LP-gas sales more than tripled in postwar years—from 2.2-billion gal. in 1947 to 7.6-billion in 1958.

Petrochemicals—Some oil men say petrochemicals may some day take over the petroleum market as gasoline did earlier in the century. This remains to be seen. But it's undoubtedly true that petrochemicals have made striking gains in recent years, especially since the war. The number of new uses has increased greatly; there seems almost no limit.

The amount of crude oil made into petrochemicals was only 180,000 bbl. in 1930. Twenty-five years later it was 35.5-million bbl.

By 1957, crude production for petrochemicals rose to 42.6-million bbl., an average increase of about 10% a year.

Pricing in Marketing: How It Got Where It Is Today

OIL PRICING has changed greatly in the past 50 years. From virtually a one-company operation, it's become a highly competitive system involving many companies.

The Standard Oil monopoly had about 85% of the business in 1909, and it did pretty much as it pleased. Independent oil companies were often forced to compete in the dark against Standard's secret prices.

When NPN was founded, it started to publish tank wagon markets at some 75 points in the Midwest and East. This helped bring pricing out into the open.

The tank wagon price was important because at that time most of the sales were actually made from the tank wagon, either in bulk or in drums or cans.

So different were markets where Standard was alone from those where there was some independent representation, that NPN quoted two sets of prices: "Where there is competition and where there is no competition."

When Standard was dissolved in 1911, the separate companies had to compete on more even terms with the independent jobbers, and tank wagon prices were openly arrived at.

These prices, in theory at least, were based on the cost of material at the refinery point of supply and the cost of transportation (then by railroad) to the area of distribution.

As railroads were displaced by barges and pipelines, the price structure changed. Points of supply had to include pipeline and waterway terminals in addition to refineries.

Retail price became a part of the industry's pricing structure as the gasoline market grew. Drive-in stations started around 1910 to add a cent or so to the tank wagon price to cover their costs and services. With companies usually controlling these outlets, the pump posting became a prime market indicator.

The importance of the service station price waned in the mid-Thirties, when many companies stopped operating a large number of their outlets. Then the tank wagon market came back as the key factor in gasoline price structure.

Since the start of the tank wagon trade, price wars have been a recurring problem in the gasoline market. Frequent attempts have been made to curb price-cutting and assure reasonable profits at retail. They include fair trade, suggested pricing, percentage margin and commission/consignment plans.

The tank wagon price continues to play a large part in oil marketing because so much product is sold at that level. But the published tank wagon price has lost a lot of its meaning. It seldom represents the actual price of the sale.

50th
ANNIVERSARY
1909—1959

Where Marketing Stands Today

NEVER IN THE 100-YEAR history of the U.S. petroleum industry has marketing been so important as it is today, at the beginning of the Space Age.

Oil marketers are responsible for billions of dollars of business a year—some estimates range from $25-billion to $75-billion. The retail market alone has become a huge $16-billion-a-year business.

Every year growth is greater—whether it's the 1% increase of a recession year like 1958, or the estimated 5% increase for the recovery year of 1959.

This makes oil marketing a primary factor in the nation's economy. Moreover, it is a big consumer as well as a big seller. In capital expansion,

Continued on the following page ►

Where Marketing Stands Today

(Begins on page 111)

marketing has been spending roughly $500-million a year. As an industry, oil marketing has spawned another thriving industry: oil marketing equipment manufacturing, itself an essential factor in the U. S. economy.

Today the entire oil industry is moving into an era of transition—from the technological miracles of the Automobile Age to the even greater miracles of the Space Age ahead. This is also the era of the marketer. In a national "economy of abundance," the pressures of ample supply are putting new emphasis on salesmanship, forward planning and efficient lines of organization. Falling profits in the industry's traditional "money" segments—production, refining, transportation—are causing these segments to look to marketing to bail them out. "Marketing is rapidly becoming the most important element in the petroleum industry," says Atlantic Refining's marketing vice president, Col. Dwight T. Colley.

Assets and Liabilities

As marketing takes on increased importance in the industry, what are its strong and weak points? Is the segment constituted for maximum economic strength and vitality?

Markets—Backbone of oil product demand is the ever-expanding retail gasoline trade. Last year it moved into third place in U. S. retailing dollar volume, behind food and automobiles. Sales ran to $16-billion and volume was over 3.2-billion bbl. in 1957.

The big problem is profitability: demand is growing, but it's difficult to uphold the profit level, because of rising costs and high inventories resulting in soft prices.

The commercial gasoline market is far less profitable, by comparison. It is presently a dumping ground for surplus product, in which accounts change hands rapidly and often. Major companies in particular fight doggedly for commercial gallonage; many jobbers complain of being frozen out of the market. Congressional investigation of commercial account pricing practices now appears imminent.

In the aviation market the profitability level is also relatively low. However, the dynamic growth outlook for aviation fuels promises to make this market an extremely valuable one.

The fuel oil market presents a different picture. Still dominated by jobbers, it offers an attractive profit margin along with good growth prospects. On the other hand, it faces strong competition. While domestic heating oil demand ran to 2.3-billion b/d in the 1957-58 season, natural gas has an over-all price advantage and promises to increase its 3% share of the heating market at the expense of oil's 44% share. Residual fuel is having even worse competition trouble, and seems destined to continue presenting more problems.

Liquefied-petroleum gas sales reached a level of almost 7.5-billion gal. in 1958. This market has exhibited dynamic growth patterns and seems destined to extend them in the near future.

Makeup—Active in marketing today are 20 big major companies (total gross sales and operating revenue: $29.6-billion in 1957); about 30 other large integrated companies; over 30 large refiner-marketers, and several hundred important marketing companies. An NPN compilation made last year showed 16,357 branded jobbers and 16,868 commission agents.

Physical Plant—Latest census figures show 181,747 service stations. There are roughly 200,000 other retail outlets. The census also showed 23,319 bulk plants and terminals, 37% owned by jobbers. Aboveground storage capacity for gasoline, kerosine, distillates and residuals amounted to 656.7-million bbl., 45% more than in 1950.

Transportation facilities moved 593,257,000 tons of refined products in 1956. Water transport handled 230,490,000 tons (39%). Trucks carried 211,662,000 tons (36%). Pipelines handled 113,539,000 tons (19%). Railroads carried 37,505,000 tons (6%). There were 4,769 tank trucks and 37,068 semitrailers and trains in operation in 1957; 96,074 tank cars were in petroleum service.

Versatility—One of the industry's principal strengths has been its ability to produce new goods and services. In the 50-year span of modern marketing, petroleum has grown from a one-product (kerosine) industry to one that makes hundreds of products and constantly invents new ones. Once a gasoline outlet, today's retail station offers related and unrelated merchandise, as well as oil products, and is developing more services.

A task force is preparing a program to devise new uses and to create new demands for oil products, particularly gasoline.

Problems—Aside from the perennial challenge of getting maximum productivity from existing facilities, marketers must face these problems:

- Absorbing refinery runs that are still ahead of demand. Although last year's heavy surpluses have been reduced, inventories of gasoline are still high.
- Marketing effectively against stiffening competition. From the outside, marketers face intensified competition from natural gas, electric heat, and—eventually—new forms of energy like solar and nuclear power. From the inside, the industry must adapt itself to a situation in which marketing facilities are expanding faster than demand.
- Defending themselves in Washington in an increasingly hostile climate. Government interference on the issues of divorcement and depletion looms in the coming Congressional session, and probably in sessions to come. The Justice Dept. continues to assert its eternal vigilance on the antitrust front. Added taxes on gasoline gain momentum on state and federal levels.
- Strengthening public relations. Marketing suffers along with the rest of the industry in the general public's traditional mistrust of "big oil."

50th
ANNIVERSARY
1909—1959

Marketing in the Space Age

AMERICAN BUSINESS stands at the threshold of the Space Age—a period that promises to be unprecedented in the scope and speed of its technological accomplishments.

It may be too early to tell when the first oil marketer will board a moon rocket. But it is not too early to anticipate the dramatic impact of the Space Age on future business conditions.

As a special feature of this anniversary issue, NPN presents a comprehensive report on the changes that lie ahead for oil marketing. Its authors include some of the leading figures in marketing today. The report begins with five exclusive long-range demand forecasts, starting on the following page.

Please turn the page►

DEMAND: Five Long-Range Forecasts

YOU HEAR A LOT from time to time about what's on oil's horizon. But what about over the hill? What will the market for petroleum fuels be like 20 or 25 years from now, say in 1975 or 1980?

Are you on a one-way street to declining profits, or on a high-road to greater prosperity for you and your successors?

On this and following pages you'll find some of the best thinking available on this subject. These are not starry-eyed gazes into the future. They're reasoned appraisals by men whose business it is to know about these things.

Over-all petroleum fuel sales are expected to more than double by 1980. Compared with the 2.81-billion bbl. of liquid petroleum products consumed in 1955, the oil industry will be selling about 6.2-billion in 1980. Total energy demand is expected to double, and oil will increase its share of this market from 40.5% in 1955 to 45.0%.

But all petroleum fuels will not enjoy this boom uniformly. What are the individual outlooks for automotive gasoline, distillates, jet fuel and avgas, residual fuel oil, liquefied petroleum gas?

What will nuclear fuels be doing to petroleum markets a quarter century from now?

Here's a quick look at some of the highlights of the authoritative reports appearing on the following pages:

Automotive Gasoline—If you figure gasoline is in for its usual near-5% annual increase in demand, guess again. For a number of reasons, it looks as if future increases will be well below this rate.

Light Fuel Oils—Look for a burst of sales between 1963 and 1967, when World War II babies will reach marrying age and enter the market for home heat. Because of aggressive natural gas expansion plans, heating oil's future growth will likely be confined mainly to areas beyond the reach of gas mains.

Jet Fuel and Avgas—By 1975 a thousand civilian jet aircraft may be using 300,000 b/d of jet fuel. The military should use a like amount.

But the duration of the jet age is highly conjectural. The rocket age may be closer at hand than many think, and it would have far-reaching effects on the oil industry. Piston-type aircraft will still be around calling for avgas, but their number will be significantly fewer.

Residual Fuel Oil—The problem child may turn out to be an outright delinquent. Intense competition lies ahead, and residual sales will expand at only about half the rate of all petroleum products. In the very long term, resid will be priced out of many of its current markets.

LPG—This almost "depression-proof" product will continue to pile up substantial gains in the future. But annual demand increases will probably be like those of other primary oil products.

Nuclear Competition — Sometime before 1980 nuclear power and heat are expected to become competitive with conventional energy sources. There probably will be an all-nuclear navy and atom-powered airplanes. Oil men will feel nuclear competition mostly in the boiler-fuel market, but it may cut into distillate consumption by ocean ships and railroad locomotives.

Gasoline: Slower Growth Ahead

THE UNINTERRUPTED GROWTH of gasoline demand over many years has led an imposing segment of the industry to the conclusion that this is a never-failing phenomenon.

It is widely believed that any annual increase of less than 5% is purely a technical adjustment which inevitably will be followed by a large offsetting spurt.

While a continuing 5% average yearly gain is much to be desired, and has a solid historical foundation, there appears to be substantial evidence that future increases will be well below this rate.

We have been forced to this conclusion—unhappy though it may be—by the results of studies of the nature and composition of gasoline demand, and by applying to the future certain developments which recently have been taking place.

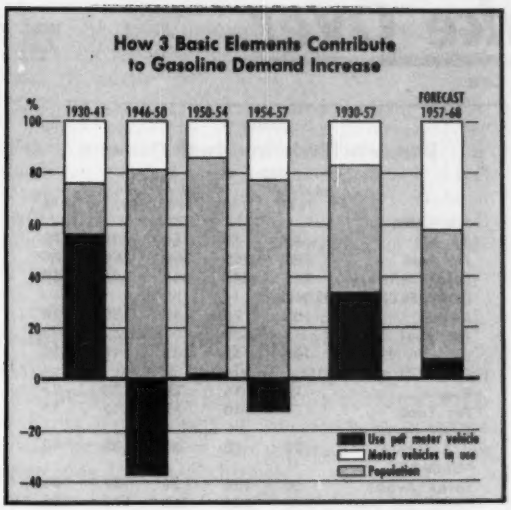
By GULF OIL CO. ECONOMISTS

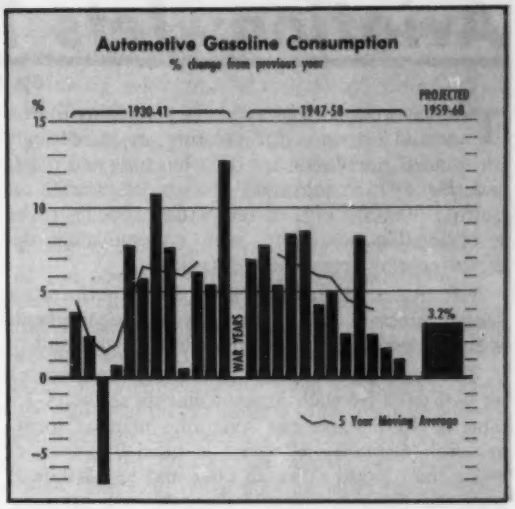
We believe that domestic automotive gasoline demand in the 10-year period 1959 to 1968 inclusive will increase about 3.2% per year, to about 5-million b/d. This rate results in an annual increase over the ten years (1968 vs. 1958) of 3.7%, and would be the smallest the industry has yet experienced for a comparable length of time. The annual rate of increase in the 28-year period 1930 to 1958 was 4.4%. In the postwar era 1946 to 1958, it was 5.2%.

Basic elements of demand, in our opinion, are:

- Population.
- Number of motor vehicles in use.
- Quantity of gasoline used annually by each motor vehicle.

For a great many years the growth of gasoline consumption was the result of growth in all three of these factors. From 1930 to 1957, for example,





the potential driving population (persons 18 years of age and over) rose by 39%, motor vehicles in use by 156%, and consumption per vehicle by 30%. The compound effect was to raise gasoline consumption by 233%.

As we view the future, only population (of these three basic elements) promises to increase at a rate comparable with past experience. According to the Census Bureau, we can expect an annual average increase of 1.4% in the number of persons 18 years of age and older.

The largest contributing element in automotive gasoline demand, of course, has been the increase in the motor vehicle population.

While the rate of increase in the number of motor vehicles in use far outstripped the rate of increase in the human population following World War II, and continues to do so, the difference has gradually narrowed each year.

If this trend continues in accordance with our projection, we can expect the density of motor vehicles to level off shortly after 1970. Thereafter the motor vehicle population apparently will grow only as population grows.

The third element of demand, average consumption per vehicle, has levelled off (and even declined slightly) in recent years. This factor now shows only small annual fluctuations, which are without significance, and makes no contribution to the total demand increase.

In the 27 years following 1930 the improvement and extension of the highway systems, the increased volume of trucking, farm mechanization and the like upped the use per vehicle unit by 30%. With the disappearance of much of this source of growth, the industry presently must rely mainly on increases in the motor vehicle population to support the future expansion of demand.

While there is no statistical evidence to encourage optimism regarding greater utilization of the average vehicle, we have made an allowance for a small, gradual increase after 1960 in our own planning. This was based on an appraisal of the following elements which, in total, should produce a small net favorable balance:

Factors tending to increase consumption per vehicle:

- Continued movement of families to suburbs.
- More and larger families predicted for the early 1960's.
- Federal highway construction program, which should increase travel and trucking.
- Continued decline of mass transportation.

Factors tending to decrease consumption per vehicle:

- Increase in multiple-car families.
- Increase in proportion of small cars.
- Apparent near saturation of the farm tractor market.
- Increased use of diesel trucks and buses.
- Smaller number of commercial buses resulting from larger passenger capacity.

In chart I we have illustrated the proportion of total demand contributed in various periods in the past by each of the basic demand elements, and the proportion we expect each to contribute in the future.

Chart II shows the percentages of past annual increase and our projected future growth rate through 1968. Note particularly the five-year average curve and how its steady decline discounts the inflated rates of increase prevalent in the period immediately following World War II.

No attempt has been made, of course, to predict cyclical variations in the annual rate of increase, but with only a 3% plus average there is little margin to prevent demand from showing losses in years of retarded economic activity.

Putting it another way, gasoline demand may be more sensitive to the general business climate than it has been in the past. ■

(Begins on page 114)

Aviation: Jets Take Over

By John Lee

THE CIVILIAN jet age apparently contains the essential elements for creating an increasingly air-minded population for both business and pleasure. By 1975 a thousand civilian jet aircraft requiring 300,000 bbl. of fuel a day appears to be a reasonable possibility, with an equivalent demand coming from the military.

Piston-type aircraft will continue to perform essential functions, but their gasoline requirements will be considerably less than today's demand.

The duration of the jet age is highly conjectural, as witnessed by such announcements as the X-15. This is North American Aviation's manned rocket research airplane: its speed is officially given as more than 3,600 miles an hour and its altitude at over the 100-mile range. Its engines will burn liquid oxygen and liquid ammonia, 20 times faster than a conventional jet engine.

Such an aircraft would create an entirely new era, certainly fundamentally different from the present age, for both our manner of transportation and particularly for the petroleum industry.

Today the demands for aviation gasoline and jet fuel are of extreme importance to the industry. About 5% of domestic demand is for these fuels.

Two fields provide the bulk of air transportation activity—military and commercial.

Military Demand for Aviation Fuels

With the completion of the conversion of combat airplanes from piston-engine to jet powered aircraft, the future military demands for jet fuel should show a much less rapid rate of growth than in the past, and be governed primarily by the size of the military, degree of activity, and technological changes.

The Defense Department's petroleum logistics division estimates that the U. S. military demand (worldwide) for jet fuel will increase to 393,000 b/d in fiscal 1963. The indicated additional expansion of jet fuel requirements apparently reflects plans for using an increasing number of jet planes for non-combat purposes. A leveling off of jet demand beyond 1965 is predicted on the assumption that rockets and guided missiles using non-petroleum fuels will become a part of the military combat aircraft.

Further decline in military aviation gasoline demand has been forecast in view of replacement by jet planes (See table I). Continued use of piston-engine aircraft is expected to provide a demand for about 50,000 b/d by 1975.

JOHN LEE

. . . joined Tidewater Oil Co. in 1953, and is now a petroleum analyst with Tidewater's planning and special assignments group. A graduate of Stanford University and Harvard Business School, Lee has been an economist for Standard Oil Co. of California and has done graduate research. He was a Navy officer in World War II.

TABLE I

Domestic Aviation Fuel Demand

(000 b/d)

	Actual 1957	1960	Estimated 1965	1970	1975
MILITARY					
Avgas	83	75	65	55	50
Jet Fuel	183	265	300	300	300
Total Military	266	340	365	355	350
COMMERCIAL AIRLINES					
Avgas	105	75	40	30	30
Jet Fuel	3	80	205	260	300
Total Airlines	108	155	245	290	330
GENERAL AVIATION					
Avgas	13	16	19	22	25
Jet Fuel	9	10	15	15	15
Total General Aviation	22	26	34	37	40
SUMMARY					
Total Avgas	20	166	124	107	105
Total Jet Fuel	195	355	520	575	615
TOTAL AVIATION FUELS	396	521	644	682	720

TABLE II

Estimated Number of Jet Planes and Fuel Consumption U.S. Commercial Airlines

Year	PURE JETS No. of Planes	PURE JETS Consumption Thous. b/d	TURBO-PROPS No. of Planes	TURBO-PROPS Consumption Thous. b/d	TOTAL JETS No. of Planes	TOTAL JETS Consumption Thous. b/d
1957	—	—	59 (30)	2.5	59 (30)	2.5
1960	234(159)	62.2	168(130)	18.5	402(289)	80.7
1965	455(439)	171.6	250(245)	34.8	705(684)	206.4
1970	572(562)	219.7	300(295)	41.9	872(857)	261.6
1975	650(644)	251.8	350(345)	49.0	1,000(989)	300.8

Figures in parentheses are adjusted to represent planes in actual use.

Commercial Airline Requirements

The beginning of the "commercial jet age" poses two problems concerning aviation fuels:

- The timing and extent to which jet aircraft will take the place of piston-engine aircraft; and,
- Whether jet transportation provides a basically new aspect to flying which will generate a new market that may never have been developed by the conventional propeller-driven planes.

On the first problem, some clues can be found in current orders for aircraft and scheduled delivery dates to 1961. Based on this, the number of commercial jets is expected to increase from 59 (all turbo-props) in 1957 to 402 by the end of 1960. Of these 234 will be pure jets and 168 turbo-props (see table II).

Thereafter, it's assumed the conversion will be more or less regular to the anticipated 1,000 commercial jets of 1975.

On the second problem, evidence of the existence of a potential undeveloped market for transportation by jet planes is found in the conclusions by Dr. P. W. Cherington in his report

of June 30, 1958, prepared for President Eisenhower's special assistant for aviation. This report stated (in part):

"Despite the impressive revenue and traffic growth, *the airline 'market' remains limited in terms of the numbers of individuals* who travel. Estimates of the number of different domestic passengers who travel in any one year range from 3-million to 6-million persons. It is generally agreed that penetration is limited and that *'repeat' travelers account for the bulk of air travel.*"

Building a Bigger Market

Travel at greater speeds, in greater comfort, and at economy fares are the necessary elements which jet flying is promising in an effort to obtain a greater penetration of the potential market. This penetration may arise through:

- Stimulating air travel by those who do not fly.
- Stimulating travel to foreign and domestic areas otherwise not accessible to persons with limited time and money.
- Taking additional travel away from railroads, ships and motor cars.

For the long-term outlook, a thousand commercial jet aircraft by 1975 has been selected as the basis for projecting jet fuel demand. A fleet of this size appears plausible in view of:

- The existence of a potential "new market."
- The possibility of jet travel accomplishing a greater penetration of this market than could conventional aircraft.
- Our expanding population.

With the commercial air lines accounting for roughly 90% of the domestic civilian aviation gasoline market, the conversion to jets means the eventual loss of the bulk of the market for aviation gasoline. The long range outlook, after the jet air fleet program is completed, is for short hauls and cargo transportation to continue using piston-engine aircraft.

Fuel Oil: 2.9% Rise a Year

By Leonard S. Marshman

OUR ECONOMISTS BELIEVE that the industry can expect continued growth in the market for light fuels.

We anticipate specifically an average growth through 1967 of about 2.9% a year for this group —Nos. 1, 2, 3 and 4 fuels and diesel, but not including kerosine.

Beyond that, for 1968-75, we believe specific predictions would be mere guesses, although we see more reasons for optimism than for pessimism.

The expected annual growth rate through 1967 is good by almost any standard except the phenomenal growth rates of the past 10 years, when use of light fuel oils expanded nearly 8% a year.

If the forecast holds up, it will mean that the United States will by 1967 be using 2,253,000 b/d of light fuel oil—an increase of some 562,000 b/d over last year's average daily consumption.

The Heating Oil Picture

Biggest factor, we believe, will be a rising demand for heating oils (which account for nearly two-thirds of all light fuel oil business).

LEONARD S. MARSHMAN

. . . joined Socony Mobil Oil Co. in Boston 25 years ago and is currently manager of its wholesale planning department in New York. He has had wide experience in gasoline, fuel oil and crude oil operations, and is now chairman of American Petroleum Institute's important fuel oil subcommittee set up to promote oil heat.

Over the next 10 years, heating oil sales should increase an average 3.6% a year. That would bring use in 1967 to 1,467,000 b/d, as compared to 1,033,000 b/d last year.

This forecast is predicted upon a belief that heating the United States will require by 1967 some 6,145-trillion Btu's of energy (841-trillion more than in 1957), and that oil will supply about 47% of this market.

The most rapid growth in fuel oil sales during the 10-year period will, we believe, come between 1963 and 1967. During that period, the U. S. will see an amazing burst of young people reaching the typical marrying age of 23, of marriages, and of young couples wanting homes—and heat.

The reason for this reversal of today's slowed-down rate of family formation is easy to see. Right now the number of young people reaching marrying age is low, for the current crop of young people were the babies of the depression, when the birth rate was lowest in U. S. history. But after 1963, the number of family formations will reflect the sharp rise in the birth rate which began around 1940 and continued through the wartime and postwar years.

When averaged for the full 1957-67 period, the annual rate of increase in use of energy for heating will run only slightly below the startling rate of increase experienced in the 1947-57 period. It

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seems almost certain, too, that this rate of increase will rise during the 1968-75 period, reflecting the postwar baby boom.

In competing for a major share of this energy market, light fuel oils should not have too much to fear from such glamorous and much-publicized heat sources as heat pumps, atomic heating, solar heating, or even electricity. Only in areas served by subsidized public power, such as the Tennessee Valley and the Pacific Northwest, will electricity be an important competitor. While we expect the number of homes heated by electricity to increase from last year's 300,000 to around 700,000 or 750,000, we do not expect electricity to expand beyond about 1% of the market.

What to Expect from Natural Gas

Natural gas competition is something else again, as the experience of the past 10 years indicates. During that period, oil increased its share of the heating market from 26% to 44%. But oil's performance didn't shine so brightly when compared to that of gas, which increased its slice from 11% to 33%.

Most of the gas gain was at the expense of coal, but some of it even bit into the oil share. Eight per cent of the new gas burners installed since 1954 have been conversions from oil. The number of conversions from oil grew from 55,000 in 1954 to 76,000 in 1955, 90,000 in 1956 and 133,000 in 1957.

If the gas utilities achieve their goals—and we have no reason to believe they won't—the gas share of the heating market will have increased to about 47%, roughly the same that oil expects.

The announced expansion plans of the gas utilities indicate that they plan to move just as aggressively as their supplies and distribution facilities permit, and plan to use the same high-powered promotional techniques which they have successfully employed during the past two or three years.

It appears, therefore, that the future expansion in heating oil sales will be chiefly in areas beyond the reach of the gas mains, and in other areas where the demand for fuel is in excess of available gas supplies. There will be also some continued conversions from coal.

A factor which will influence the future of heating oil is the price that the consumer will have to pay for natural gas. If gas prices rise over a period of years, they will narrow or cancel out any price advantage some utility companies now have. It seems probable that the price of gas will increase somewhat faster than the price of oil.

How well heating oils make out will also depend in part upon efforts to improve marketing and distribution, and provide the complete package for heating comfort—more efficient automatic delivery, better burner service reasonably priced, and a balanced payment plan for the convenience of the consumer.

Sales of Light Fuel Oils: 1947-57 and Estimates for 1957-67

	1947 Thous. b/d	1957 Thous. b/d	1947-57 % Change Per Year	1967 Thous. b/d	1957-67 % Change Per Year
Heating	489	1033	7.8	1467	3.6
Railroad					
Diesel	56	229	15.1	253	1.0
Other	9	13	3.7	12	(0.8)
	65	242	14.0	265	.9
Manufacturers					
Diesel	27	46	5.5	65	3.5
Other	40	74	6.4	71	(0.5)
	67	120	6.0	136	1.3
Vessels					
Diesel	37	53	3.7	58	.9
Other	2	2	—	2	—
	39	55	3.5	60	.9
Military					
Diesel	10	25	9.6	17	(3.7)
Other	4	10	9.6	8	(2.1)
	14	35	9.6	25	(3.3)
Utilities					
Diesel	20	8	(8.6)	7	(1.4)
Other	19	6	(11.0)	4	(4.0)
	39	14	(9.7)	11	(2.4)
Oil Company					
Diesel	1	6	19.4	8	3.0
Other	5	23	16.5	23	—
	6	29	17.1	31	.5
Highway		73		130	5.9
Diesel					
Off-Highway	51		10.1		
Diesel		63		82	2.6
Miscellaneous					
Other	14	27	6.8	46	5.5
Total					
Diesel	203	503	9.5	620	2.1
Other	582	1188	7.4	1633	3.2
Grand Total	785	1691	8.0	2253	2.9

It will also be necessary for the industry to develop a more aggressive promotional program to present the virtues of oil heating to the public.

Until we find out how successfully the various companies take these steps, it's difficult to see what will be happening in the light fuel market around 1975. About all that can be said is that the expected expansion in the number of family formations should exercise a favorable influence in the 1968-75 period, but much will depend on the prices and availability of natural gas. Much will depend, too, on whether government policies continue to encourage exploration and drilling for oil and gas.

A Look at the Other Markets

In some of the other light fuel oil markets, we see a spotty, though generally optimistic outlook, with the more spectacular gains likely to be made in certain diesel uses. Here's the breakdown:

Railroads—Demand for diesel oil should rise about 1% a year to 253,000 b/d in 1961. For other light oils, a drop of about 0.8% a year to 12,000 b/d is expected. With diesel engines now performing about 96% of all railroad work, there is little room for much further replacement of steam locomotives. Intense competition from trucks and other carriers will tend to limit railroad expansions and may bring contraction of service.

Manufacturing—The index of industrial production is expected to rise from 143 last year to 201

by 1967, and diesel oil sales to manufacturers should, as a result, increase about 3.5% annually to 65,000 b/d. Sales of other light oils, on the other hand, will face stiff competition from gas, coal and diesel fuel. They'll probably drop off fractionally, from last year's 74,000 b/d to about 71,000 b/d in 1967.

Vessels—Continuing expansion of international trade is expected, but this will be offset in part by a tendency to haul in a smaller number of larger vessels. Current prediction is a growth in the diesel demand of just under 1% a year to 58,000 b/d in 1967.

Highway and Off-Highway Diesel—The largest single rise in the light fuel oil field—5.9% a year—is expected in highway use of diesel fuel. The interstate road-building program should increase use of diesel truck transportation, helping to boost highway diesel oil use from 73,000 b/d last year to around 130,000 b/d in 1967. Off-highway diesel use should increase at a somewhat slower rate, probably around 2.6% annually.

Predictions beyond 1967—say to 1975—are next to impossible to make. Among other things, they depend upon the auto industry's success in developing a practical gas turbine engine. If this should come during this period, it could create a very important new market.

All in all, there is reason for some optimism. As everyone in oil business knows, predictions about long term demands have frequently proved to be conservative, and I earnestly hope that these turn out likewise.

However, I think it will take a great deal of competitive effort on the part of oil men to make this particular set of predictions prove conservative. It will depend, in short, on how well oil marketers succeed in intensifying their sales efforts.

Resid: Intense Competition

By Grant E. Medin

RESIDUAL FUEL OIL—long regarded as a problem child by the refining industry—seems likely to continue in "byproduct" status, producing less sales revenue for refiners than the cost of crude oil.

In fuel markets, residual encounters intense competition from other fuels and fluctuations in demand resulting from swings in business activity and the weather. Non-fuel uses for residual—such as for asphalt and petrochemical manufacture—offer potentials which, while promising, do not solve the problem for many refiners. Hence, the domestic industry may be expected to continue major efforts to reduce residual production in future years.

Modest Gains in Recent Years

Residual fuel oil sales have increased a relatively modest 4.5% in the past decade, contrasting sharply with changes recorded in component markets. These changes range from gains of 45% to 50% in industrial, heating, military and miscellaneous sales to a 93% decline in sales to railroads.

Use of residual fuel by industrial plants to fire boilers, open-hearths, kilns, and for other purposes, comprised the largest component of total residual sales in 1957. Industrial sales were 167-million bbl., or 30.7% of the total sold that year.

GRANT E. MEDIN

. . . joined the predecessor organization of Sinclair Research Laboratories in 1947, after receiving his B.S. in technical engineering from Illinois Institute of Technology. He also holds an M.S. and an M.B.A. in marketing. Technical administrative assistant in Sinclair's lubricants division until 1953, he is now in economics.

This market has provided a major outlet for residual fuel in the past two decades, and growth in sales volume has been relatively smooth and continuous. Natural gas is providing serious competition for residual fuel in this market due to its improved availability and low price. Natural gas will pare, but not eliminate, gains in industrial sales of residual resulting from future expansion in business activity.

Sales of residual fuel to vessels in 1957 amounted to 124-million bbl., 21.3% of total sales. After severe dislocations during World War II, this market stabilized and proceeded to display a modest trend towards increasing demand.

Residual is the dominant fuel in this market, and indications are that residual can make some additional gains at the expense of its chief competitor, diesel fuel, through successful application of dual fuel operation in motorships.

Possible adoption of gas turbine or free piston engines in merchant ships should tend to reinforce residual demand, although long range development of nuclear-powered vessels will cause loss of potential residual volume.

Residual for Heating

In 1957, 81-million bbl. of residual were sold for heating purposes, constituting 15.0% of total sales. Except for the World War II period, sales

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for heating purposes have experienced nearly continuous growth. Departure of the sales data for more recent years from the former trend reflects inroads by competitive fuels, as well as warmer winters in many areas. In particular, continued rapid expansion by the natural gas industry threatens this market.

Gas enrichment and electric power generating plants purchased 76-million bbl. of residual in 1957 or 14.0% of total sales. These industries have displayed a somewhat erratic record of residual demand since World War II. This may be traced to such factors as impact of natural gas, changes in the price of residual fuel, and improved flexibility to burn coal. In the longer term, development of competitive nuclear generating stations assuredly will increase residual's problems in penetrating this market.

Use of residual by railroads and oil companies declined in the past decade; and in the case of the railroads, the decline has been severe. Conversion to diesel-electric motive power cut railroad residual sales from a peak of 116-million bbl. in 1943 to only 7-million bbl. in 1957.

Some attentuation of this decline may result from dual fuel operation or further development of gas turbine locomotives, but significant volume is not anticipated until the railroads have explored thoroughly a delicate balance of increased maintenance costs against decreased fuel costs.

Growth in population and expansion in industrial activity should create sufficient energy demands to permit nominal expansion in residual sales for possibly two decades. This expansion, however, is expected to be only about half the expansion anticipated in demand for all petroleum products.

Over the very long term, it appears that liquid hydrocarbons will become too valuable to sacrifice to markets which can be served by solid or gaseous fuels, and therefore, residual fuel probably will be priced out of many of its current markets.

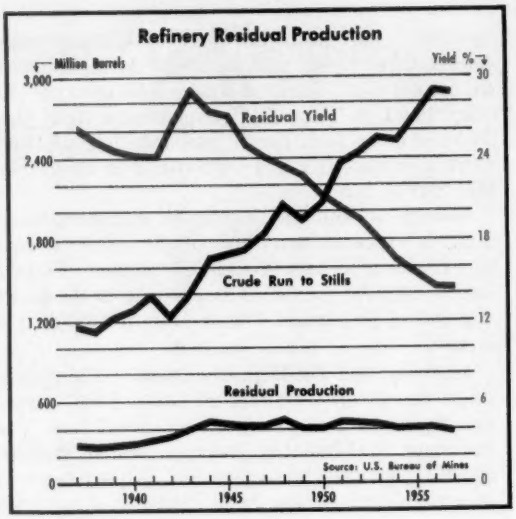
Asphalt Markets Grow

Asphalt has shown remarkable sales growth, having quadrupled sales volume in the past two decades. This product is finding increasing acceptance in traditional paving, roofing, and specialty markets.

Expanded markets will result from development of asphalt for base stabilization of highways, railway ballast, and for lining of irrigation canals and other conservation projects.

Under the impetus of highway construction and rehabilitation programs, asphalt sales in the next decade should reach a level at least half again as large as 1957 sales. New uses and increased industry support could increase this gain substantially.

For the refiner who can meet tightened specifications, the asphalt market provides an outlet for potential residual fuel stocks and could help solve the residual fuel disposal problems of some producers.



Declining Yields

With the demand for gasoline and distillate fuels increasing so rapidly in the past, and with a generally unattractive return from residual fuels, most domestic refiners have found considerable economic incentive to reduce output of residual fuel.

Reduction of residual yields by domestic refiners has provided an opportunity for foreign residual fuels to become an important supply factor. Imported residual fuel, which amounted to only 6% of the new residual supply in 1937 and 10% in 1947, jumped to 29% of new residual supply in 1957.

Competition from foreign supply sources, as well as from fuels of domestic origin, seems likely to hold residual fuel price structures to levels which will continue to encourage domestic refiners to reduce yields of this product.

Reduction of U.S. refinery yields of residual fuel undoubtedly has been one of the more pronounced and consistent trends observed in the industry in the post-World War II period. As illustrated in the accompanying figure, crude run to stills expanded markedly in the past two decades, having increased from 1,183-million bbl. in 1937 to 2,890-million bbl. in 1957—a gain of 144%.

In the same period, residual output increased from 312-million bbl. to 416-million bbl.—a gain of only 33%.

Lethargic market demand expected for residual fuel in future years will continue to stimulate efforts by refiners to further reduce residual yields. The industry continues heavily engaged in research aimed at upgrading residual components to more valuable products.

LPG: Big Yearly Gains, But

By W. F. DeVoe

THE LP-GAS INDUSTRY will continue to expand its growth as an important segment in the field of petroleum products sales.

In the years since records have been maintained —and in the short span of 30 years—LP-gas has increased its yearly volume from 4.5-million to 7.-5-billion gal. Since none of these years has brought forth anything but increases over the previous year's total, one can deduce that this industry, until now at any rate, has been able to grow during a declining or expanding economy.

One would hesitate to name any industry "depression-proof," but, the LP-gas industry to date has come as close to that definition as any.

Two Decades of Expansion

Such growth as has been experienced in the lifetime of this young industry cannot be expected to continue as spectacularly. However, it is our belief that the next two decades should continue to be expanding in growth, but with percentage increases in sales volumes more nearly like those experienced by the other primary products of the petroleum industry such as gasoline, burning oils, etc.

The fact is, of course, that in addition to being a gaseous fuel, the liquefied petroleum gases are more than adequate in the same end uses as their allied, heavier components. Propane and butane also have properties which make them ideally suited as chemical feedstocks in many varied chemical processes.

The factors which will contribute to the LP-gas industry's growth in the domestic markets revolve around its advantages as an all-around, all-purpose fuel for the farm, and as a complete gas service for the home in areas not served by the natural gas pipelines.

Farming, we have been informed by the experts, will continue its present trend into the future: fewer but larger farms with fewer farmers and more mechanical farming equipment. The energy requirements on the farm will thus increase and LP-gas uses will increase with them.

The continuing trend to suburban living will expand the markets for LP-gas as areas of population move out farther from larger cities served by natural gas. The increase one might expect in the domestic field over the next 20 years should be an average of 4% to 6% a year.

During the past four or five years, the domestic uses for LP-gas have accounted for between 45% and 50% of total sales.

The use of LP-gas as a motor fuel for internal combustion engines has enjoyed a rather spectacular growth in the past 10 years. Its use in farm tractors, irrigation engines, drilling rigs, and more recently fork lift trucks has added impetus to its sales in this category.

Buses and truck fleets—equipped with engines designed to take full advantage of the clean burning, simple carburetion and high compression value of propane—will continue to expand. During the past four or five years this category has accounted for approximately 11% of the total market for LP-gases. During the next 20 years we can look for an average increase in demand of 7% per year.

Industrial (including miscellaneous) and gas utility uses of LP-gas during the past four or five years have accounted for 12% to 13% of the total sales. Estimates would indicate that increases should be minor compared to other categories, and that the percentage of the market now enjoyed will be reduced.

LPG for Petrochemicals

The chemical manufacturing (including rubber components) category of the LP-gas industry is one that probably is most difficult to predict. During the past four or five years, chemicals accounted for 26% to 31% of the entire LP-gas industry sales.

The ever-expanding petrochemical industry, in an expanding economy, will require greatly augmented volumes of feedstocks. The lighter hydrocarbons could flow in greatly increased volumes to this market. However, the many variables which exist in supplying such a market prevent estimating a long range demand position.

It can be predicted, we believe, that the percentage of the total LP-gas market will increase in the chemical manufacturing category over the next 20 years.

One of the latest forecasts indicates that 219.5-million people will populate these United States in 1970. The LP-gas industry can be expected to continue to capture a large share of the expanded markets which will result.

The export of LP-gases to those countries short on energy resources is expected to increase at an accelerated rate in the near future.

New uses for this "all-purpose fuel" are being found and developed at a rapid rate. The future looks bright indeed for the LP-gas industry.

W. F. DeVOE

. . . is manager of LP-gas sales for Phillips Petroleum Co. and president of the National LP-Gas Council. He has been in the gas industry since 1933 and joined Phillips in 1940. A native of New York State, DeVoe studied chemical engineering at Syracuse University and Trinity College in Hartford, Conn.

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Atom: Gradually Moving In

By Dr. Perry Teitelbaum*

THE COMPETITIVE IMPACT of nuclear energy in the United States by 1980 will be felt mostly in the boiler-fuel market, which includes electric utilities and large industrial heat applications.

Natural gas will diminish in importance in this market even without competition from nuclear energy, except in gas-producing regions, as the result of continued upgrading of the natural gas market and rising gas prices.

Residual fuel oil will be first displaced by nuclear energy in relatively remote areas where fuel prices at present are high and reflect a substantial transportation cost.

The petroleum industry may attempt to meet this competition—or its threat—at the outset by reducing residual fuel oil prices. But because of lower marginal fuel costs in a nuclear power plant and small transportation costs for the fuel, the result of this competition is likely to be a gradual displacement of fuel oil in the high-cost markets.

Eventually, as nuclear generating costs continue to decline, the areas in which nuclear power can compete will extend progressively closer to energy-producing regions.

Virtually all of the growth in thermal capacity in the five-year period 1975-1980 is likely to be nuclear in all regions except those including parts of the Appalachian and Southern coal fields, the the Southwestern gas and oil fields, and the Northwestern and Rocky Mountain states with remaining hydro potential.

How Much Will the Oil Industry Lose?

The transfer to nuclear energy of otherwise potential residual fuel oil sales may amount to almost 5% of the total petroleum market by 1980.

On an over-all basis this would appear to represent only a small potential "loss." However it represents a very large fraction of the projected domestic residual fuel oil output, and it is not certain what the oil industry might do to offset this.

The oil industry is little interested in the boiler-fuel market and its interest will undoubtedly diminish.

The continuing rise in relative prices of lighter refined products will probably be far more important in reducing the proportion of residual fuel oil in U. S. refineries than will be the reduction in its price following replacement by nuclear energy. Thus nuclear energy may replace only foreign fuel oil.

And even if domestic fuel oil were replaced, little or no decline need result in domestic crude production, since the fuel oil would be upgraded at refineries, thus displacing lighter fractions from foreign crude.

Nuclear energy may also affect the distillate market by partly displacing diesel oil in ocean shipping and perhaps railroad locomotion. But this impact is expected to be relatively small in comparison to the size and growth characteristics of the distillate market as a whole.

How Much Will Energy Demand Grow?

We expect roughly twice as much energy to be consumed in 1980 as in 1955.

At the same time that total energy is doubled, we expect a tripling in electric power consumption. No more than moderate increases are expected in average real prices of bituminous coal or crude oil—that is, relative to prices generally—because it is felt that reserves are generally adequate for the next 25 years and because acceptable alternative sources of supply are readily available.

Delivered energy costs to consumers are likely to rise to an even lesser degree—that is, on the average by perhaps 15% above 1955 levels—as the result of favorable cost trends in energy transportation, the development of new methods of transporting energy, and vigorous competition among energy sources at consumption points.

Generating costs per kilowatt hour, if calculated at a 50% plant factor, are assumed to decline from approximately 12 mills in 1965 in large central station plants, to around 6 mills in 1980.

No specific costs of nuclear heat are projected, but they are inferred from the nuclear power cost projection as also reaching competitive levels with heat from conventional sources before 1980.

The projections indicate that nuclear energy will supply almost 10% of total energy consumed by 1980—60% of it in electric power generation—and that this proportion will expand rapidly in subsequent years.

Nuclear electric power will apparently represent over 20% of total power generation in 1980, and the rate of market penetration may be such that in the five-year period 1975-80, about three-fourths of new plants may be nuclear.

Something like one-fourth of U. S. ocean shipping capacity and perhaps 10% of locomotive capacity may be nuclear by 1980.

The projections also make allowances for an all-nuclear Navy by 1980 and for nuclear-propelled military aircraft. ■

*Dr. Teitelbaum, an economist, is the author of "Productive Uses of Nuclear Energy," upon which this article is based. The book was published in July 1958 by the National Planning Assn., $3.

50 ANNIVERSARY 1909 1959

What's Ahead for MARKETERS

THE DEALER

◄ By Dwight T. Colley, marketing vice president of Atlantic Refining Co.

THE JOBBER

◄ By John H. Hall, manager, head office marketing operations, Shell Oil Co.

THE AGENT

◄ By George M. Sullivan, marketing vice president of Continental Oil Co.

PRIVATE BRANDERS

◄ By Harry S. Read, executive director, Society of Independent Gasoline Marketers of America

THE IMPACT of the Space Age will be felt by every oil marketer in every area. New developments will come with increasing rapidity, calling for much greater flexibility and responsiveness to change.

On the next eight pages, four leading authorities tell what they see in the future for dealers, jobbers, commission wholesalers and private branders. All describe encouraging growth possibilities. But all point out that the marketer of tomorrow must be quick to adapt to the new technology and shifting demand patterns that the Space Age will bring. No one, they warn, can expect a free ride in the economy of the future.

Forecasts begin on next page ►

Will the Future Shape A New Type of Dealer?

Yes, says Col. Dwight T. Colley of Atlantic Refining. He believes the next ten years will bring new concepts of efficiency to replace today's 'wasteful marketing.' And this, he thinks, will produce a more successful – and more dedicated – dealer.

By Dwight T. Colley

STRANGE AS IT MAY SEEM, I believe the service station dealer's future is pretty much in his own hands. In spite of the bad judgment being demonstrated by the industry right now, a new marketing pattern will eventually be developed through the next ten competitive years. There will be no movement to guarantee any dealer a future as a dealer. However, each dealer will have the opportunity to guarantee himself a place within this pattern.

I don't know what will become of the marketing companies, but there will undoubtedly be some surprising combinations and some eliminations. I think we must speculate just a bit on the competitive pressures before we describe the kind of front-line units that will survive.

"Among the new marketers, one will stand above the crowd . . ."

The big crude producers have panicked. Wasteful marketing is the order of the day — too much pressure, too many stations in the wrong places. Marketing today is neither orderly nor profitable, and in an effort to move products, good brand names are being depreciated and sales margins squeezed until the only marketing tool left is the price sign.

In the face of this pattern, what has the dealer left to look forward to?

He can look forward to a change. He can expect a number of new marketing vice presidents who will replace the present crop as they kill themselves off. And among the new marketers, one will stand above the crowd, take a long look, and say, "There just must be a better way!"

And for someone big and brave enough, there is. He will find a way to cut many of the existing marketing costs—perhaps eliminate the over-elaborate edifices on too-expensive real estate, accounting, billing, credit charges, and a lot of other things, including non-representative outlets. Eliminating these will provide a margin in their place—a margin for real wages paid for real service.

". . . This market leader will decide to announce a fair retail price . . ."

It is an oversimplification to say that the selling cost is too high. But it is true that some of the segments that make it up are unnecessary, so that more important services are slighted. This market leader will decide to announce a fair retail price for his brand, saying, "This is the fair retail price for our brand *properly served.*"

In the new Mechanical Age of complicated gadgets, a sizable portion of the public will need (and be willing to pay for) expert service. In oil marketing this means expert service provided by trained servicemen whose knowledge is not limited to simply finding the gas cap. They must be men who know how to service your whole car. They must know what they can do—and more important, what they can't do, so that they understand when to refer the problem to the automobile agency.

The service station dealer represents the "last stand" for personal service. Personal service is becoming a lost art in all retailing. Of course, there are many products at retail which the customer can conveniently pick up as a package he serves himself. However, the service station dealer will make a terrible mistake if he abdicates his position as the neighborhood expert. He can be today's helpful

neighbor in the modern community—the interested neighbor, ready to advise and serve in good weather and bad. If he knows his business, his service is priceless.

The new supplier who decides not to force "do it yourself" on the public, and who insists on fair pricing for his brand, must also be able to say, "All the stations carrying this brand are always immaculate and completely manned. We will not permit unqualified, poorly attended stations to hand *this product.*"

"Of course this is not enough. He must prove he means what he says."

Now of course this is not enough. He must prove he means what he says. Doing this will finally separate the men from the boys, for at first there will be innumerable efforts to test and break this policy. His own organization will give him the most trouble, because people just don't like work, and a cut price seems so much easier than gaining a reputation for thorough service.

This is just the beginning—because if the new policy is successful, the other strong brands will be quick to follow. When several marketers with good service station coverage have adopted this pattern, the fight will then be joined to see what unnecessary costs may be eliminated, so as to make possible a lower minimum retail price across the board.

Remember that this competition for public favor is the built-in guarantee in our kind of business life that the customer's interest will be protected, and further assurance that government interference in our marketing practices is still unnecessary.

Anybody who has read this far has been wondering what the dealer's part is. How can his fate really be in his own hands? I believe this is the way it will work:

With special business knowledge, or even the courage to acquire it, the exceptional dealer will be free to choose the company that takes an unequivocal position on quality and price. Even today, there are enough fully qualified dealers in this country to man several such top-quality chains. The "law of natural selection" will set up an economic chain reaction that will upgrade the entire operation. The qualified dealers will take business from the sloppy operators, and the increased volume from these new gallons sold at fair prices will raise the living standard of the deserving. This in turn will serve to attract higher-caliber dealer applicants and servicemen. A group of such businessmen, assured of such a brand policy, would certainly set a standard that builds reputation on reputation. Once convinced they would not have to fight price wars with their own brand brothers, this group must succeed.

This is not a program for below-average dealers, nor will this plan prevent the weak and inefficient from crying for help. At least a third of the existing dealers in many markets would be driven to the showers. And, quite properly, at least 15% of the "dry holes" of the marketing segment would be abandoned.

But there will be plenty of room in expanding America, with its exploding population and fabulous new road system, for qualified dealer-operated service stations.

What kind of service station facilities will we be building ten years from now?

". . . The supplier will build the facilities that the new type of dealer demands."

The supplier will build the facilities that the new type of successful dealer demands, rather than stations designed by committees of experts who specify those facilities which the supplier hopes will be needed. The new communities that are developing all through the land need new service stations—and perhaps it will not be as difficult to secure permits in these communities for a company that has established a record of successful partnership with its dealers.

I think we can be sure that restless America, traveling at greater speeds on the new superhighways, will demand faster facilities for both cars and people. Locations on these highways pose a most difficult problem for the free enterprise system, because this kind of service requires money and organization. If I were the dealer of tomorrow, I would not worry about the throughway problem. Instead, I would choose a community to serve, with its schools, churches and shopping that require family transportation—much of it done by appreciative women customers. Then I would select a company that was strong and forward-looking enough to appreciate—and demand—a dedicated serviceman to sell its superior products in that neighborhood at a fair profit.

And on this foundation, I could afford to build my future.

COL. DWIGHT T. COLLEY

. . . is vice president and general manager of marketing—as well as a director—of Atlantic Refining Co. Native New Englander, M.A. graduate and trustee of Brown University, Colley has proved an avid innovator in pricing and dealer relations; spark-plugged American Petroleum Institute's marketing division as its vice president. Veteran and DSC winner in both world wars, Colley will be 63 in May.

What Does the Future Hold For the Jobber Segment?

New challenges to the oil jobber will require him to become a 'bigger' man, says Shell Oil's J. H. Hall. In this article he appraises the jobber's strengths and weaknesses, and tells what must be done for survival in the future

By J. H. Hall

THERE WILL ALWAYS BE JOBBERS, as long as petroleum products are sold to provide energy for transportation.

Such a strong statement may seem strange to jobbers with misgivings about the future. If there is any serious threat to jobbers, it is posed by suggested legislation—rather than any possible action by suppliers.

Someone must move the products from the supply source to the customer. This movement has always been performed in two parts: wholesale and retail. There are independent businessmen in both groups and they will continue to play an important part. As in any endeavor, their success or failure will depend on competence and resources to meet competition for the customer's favor.

"The jobber has successfully lived with his problems for 25 years . . ."

Those who question the future of the jobber could profitably spend a few hours perusing back issues of NPN over the last 25 years. Jobbers and supplier spokesmen have been discussing the future of the jobber over that entire period. They have also been discussing commercial consumer discounts, station expansion—is it overbuilding or isn't it?—price wars, and soft markets. Differences in attitudes, practices and policies were apparent 25 years ago and they still are today. I don't wish to minimize these problems or to pass over them lightly. But I do wish to emphasize that the jobber has successfully lived with his problems for 25 years, and most continue to grow and prosper.

Any basic change in the jobber's status or future (excluding changes caused by legislation) must be preceded by a change in the jobber's fundamental strengths and weaknesses. What inherent *advantages* does the jobber have that can contribute to his strength? Here are four big ones:

1. He can be local. He can build local friendships, prestige and stature over a long period of years. His relationship with his dealers can be, and usually is, more personal than that of a large company. Much of the jobber's business is secured and retained on the basis of friendship. He hires local people and can therefore entrench himself more easily in the community.

"He can be local . . . more flexible, more efficient . . . can move faster"

2. He can be more flexible. He can adapt techniques and make decisions to fit local conditions.

3. He can be more efficient, particularly with such types of trade as farm consumers, road contractors and heating oil customers. He can be as efficient as direct operation in serving dealers.

4. He can move faster. He doesn't have to wait for approvals from upper echelons.

What inherent *disadvantages* may contribute to a jobber's weakness? Here are three:

1. He may have more apparent difficulty in financing expansion. This, however, can usually be traced to errors of judgment (such as decisions on retained earnings), sources solicited (there are several, including the home-town bank), or lack of a complete presentation to the source.

2. Sole authority can be a danger as well as a strength. It may lead to complacency, extreme caution, or little incentive to perpetuate the business.

3. He may need a wide variety of talents. In most cases the jobber must be his own sales man-

ager, operations manager, treasurer, credit manager, public relations man, and so on. But this becomes a handicap only if he fails to avail himself of the specialists provided for consultation by most suppliers, or if he refuses to expose himself to the wealth of material put out by the API, the broadening experience of association management institutes, and the wide range of information available in business magazines, which we know as "trade papers."

"Like all other marketers he will be affected by changes in American life . . ."

Please note that in discussing the advantages I said "can," while in discussing the disadvantages I said "may." The choice of words was deliberate. Some jobbers do not participate in the civic life of their community. They give little but expect a lot, thus forfeiting one valuable advantage. And although relative size *may* be an apparent disadvantage in securing new capital, many jobbers have overcome it.

The jobber should not be viewed in a vacuum. He is part of the broad marketing scene, and like all other marketers will be affected by changes in American life and business. Here are some of them:

- The federal highway program and changing traffic patterns.
- Development of interurbia.
- Improved techniques in distribution.
- Changing agricultural patterns.
- Strong possibility of continuing inflation.

To meet the challenge posed by these changes, what characteristics will the jobber need? Probably the same ones that prompted him to go into the jobbing business initially:

- An optimistic attitude toward risk-taking.
- Acceptance of the fact that "change is permanent."
- Alertness toward opportunities and toward adapting new techniques.
- Continuing vigilance on fundamentals—especially those pertaining to dealer relationships (such as great care in selection and training).
- A two-way line of communication with the supplier, and ability to work with the supplier.
- Availability of capital and personnel.
- Confidence in his own ability, faith in the economic function he performs, and respect for his competition and the industry of which he is such an important part.

A jobber with these characteristics will continue to grow and prosper to the benefit of himself, his supplier and his community.

Are there any exceptions to our basic premise? What about the skeptics who say jobbers are now precluded from metropolitan markets, and that there are no jobbers on the West Coast?

The fact is there are successful jobbers in metropolitan markets, and there are jobbers on the West Coast. Neither population density nor geography necessarily determines the question of direct versus jobber operation. Each supplier determines this as its own company philosophy. The peculiarity of each marketing territory, local community relationships, competitive conditions and availability of personnel are all taken into consideration—as well as capital requirements and the economics of the projected volume of business.

". . . Suppliers are concerned about the future of individual jobberships"

If this sounds like involved corporate reasoning, let me point out an illustration. Fuel oil jobbers have proved that they can operate, develop and retain heating oil business as well as or better than big-company salaried personnel. Result: jobbers dominate the market.

Strangely enough, some jobbers who express misgivings about the future are those who limit "the future" to their own lifetime or the expected extent of their participation in jobbing. Actually, suppliers are concerned about the future of individual jobberships far beyond the working life expectancy of most jobbers in the business today. It seems quite reasonable to expect some degree of continuity in return for assistance extended the jobber in the joint development of a marketing territory.

My conviction that the jobber will continue is based, of course, on the assumption that suppliers and jobbers will continue to have as much freedom of action and choice as they now have. It is conceivable that well-intentioned but ill-advised lawmakers could disrupt the entire industry, and we must be particularly alert to this danger.

Jobbers now occupy a position of considerable community and industry stature. But many jobber associations, by their management institutes and leadership courses, have recognized that the jobber of the future must be and will be a bigger man. To that proposition I subscribe completely.

JOHN H. HALL

. . . is general manager of head office marketing for Shell Oil, guiding and coordinating New York and San Francisco marketing headquarters. An electrical engineering graduate of Washington University and a Shellman since 1932, Hall has been an engineer, assistant to the marketing vice president, manager of head office marketing operations, and Cleveland division manager. He took his present post in 1956.

What's the Outlook for Commission Wholesalers?

It can be prosperous, says Conoco's George Sullivan, for those who believe good planning and hard work are vital assets. Here Sullivan points out the main dangers that lie ahead, and suggests a four-point plan to overcome them

By George M. Sullivan

MAKING PREDICTIONS about anything—whether it's the next day's weather or the 1959 World Series—is at best a hazardous task. But prospects for the commission wholesaler can be charted fairly accurately, it seems to me, if we use what we know about the past and the present to predict the future.

No need to recount for you how the commission agent first became an important person in the oil industry. In the early exciting days of the birth of the oil industry, the commission agent was the dominant marketing figure throughout the entire country. The fact that he is still an important part of the marketing picture is pretty solid evidence of his staying power for the future.

But there is scarcely a man in the industry today who is not aware of the rapidly changing marketplace in which we do business. There is no such thing as a status quo in marketing today.

". . . There is no such thing as a status quo in marketing today."

In this context, what are the principal challenges and problems that face the commission wholesaler? What are the assets that favor him? What are some of the problems he has to solve? And finally, what sort of man will the successful commission wholesaler of tomorrow have to be?

First, the commission wholesaler's assets:

1. After a lot of experimenting with salaried operations and other methods of distribution, a number of marketing companies have learned the hard way that commission operation is difficult to replace. In many of their markets, it simply represented the most effective method of distribution.

2. Many supplying companies have found that the commission wholesaler is a more secure source of representation than the jobber. It's a matter of historical record that jobbers are much more likely to switch suppliers than agents are.

3. Supplying companies have found that the commission wholesaler generally will produce a greater volume than salaried employes operating bulk plants. There's no mystery about this. The quality of incentives is a big factor in getting that extra amount of work out of a man.

"The big problem . . . is that of direct delivery to the customer."

These are the assets in the commission wholesaler's favor. They are of real and tangible value to a supplier. Now what about the problems?

The big problem—the one that intrudes on any kind of future planning that a commission wholesaler and a supplier attempt to do—is that of direct delivery from refinery or terminal to the customer. There is no doubt that many refiners desire to deliver direct to customers. And there is no escaping the fact that many customers want to share in the economies of volume buying direct from the supplier. This is particularly true in heavily populated areas where direct delivery economies are sharp and clear, and grow in importance as the market in these areas expands.

This is not a problem exclusive to the oil industry. Wholesalers in other businesses all over the country are feeling the impact of a noticeable public trend toward "getting it direct."

Another challenging problem is the increase in the cost of living and the cost of doing business. We are living in inflationary times. The housewife knows this. The grocer knows this. Every businessman, large or small, every customer, big purchaser

or small purchaser, is aware of the heavy creep of inflation and the effect it has on costs and prices. Because the commission wholesaler's commission rates remain relatively constant, he is caught many times in the unhappy grip of a slowly rising income and sharply rising costs.

Still another problem concerns the finding, training and holding of qualified employes. Many times an agency is too large for a one-man or a one-family operation. Like any businessman, the commission wholesaler must therefore depend on qualified employes to help him conduct his business. And as we all know, employes who contact customers have a significant influence on the success or failure of our business. The commission wholesaler is no different in this respect. He finds the competition for the right man a bitter and increasingly keen enterprise.

". . . The key to the future is courage and determination."

These are the dominant problems that seem to darken the commission wholesaler's future. But darkness is a matter of definition. What may seem a very heavy cloud to one man is only a thin haze to another. And here lies the key to the commission wholesaler's future: his courage and determination, coupled with local know-how for serving his market.

The commission wholesaler who can and will meet these challenges and these problems successfully will continue to prosper. I'm talking about a very specific kind of commission wholesaler. This man will be aware that in many cases the economies of direct delivery, particularly in heavily populated areas, may be so large that he may rightly decide that his value would be lessened in certain high-population areas.

But this applies only to a very small number of geographical areas. In rural communities, in small urban communities, and in middle-sized urban communities, the commission wholesaler can and will continue to find he has a definite value, and a definite contribution to make to himself and his supplier.

I believe the successful commission wholesaler of tomorrow will have certain clear-cut characteristics. Here are four principal ones that I can think of:

1. He will cope with the increase in the cost of living and the cost of doing business by increasing his volume. He may get tired of hearing it, but the secret of successful petroleum marketing for his supplier is "increasing the volume"—thereby keeping unit costs of doing business at rock bottom. Whatever it takes to get that volume up, he'll do it. He'll be a sales promoter, bold, imaginative, unwilling to do things just because they've always been done that way. He'll be a sales manager for the retailers he serves, and he'll always have something active going on in their stations. He'll be alert to local opportunities so he can move fast. Getting more volume every day will be his number one task.

2. He will begin now to become a low-cost marketer. He will not tolerate any fat in the business. He'll strip his operation clean of anything and everything that isn't paying its way. His organization will be lean and flexible. Every time he spends or invests a dollar, he'll be secure in the knowledge that he'll get a dollar plus back.

". . . Getting more volume every day will be his number one task."

3. He's going to make certain he's got a good right hand man — and maybe a good left hand man, too. He'll recognize that putting time and money into developing trained men is one of the wisest investments he can make. He'll attach as much importance to this as he will to anything else in his business.

4. Finally, the successful commission wholesaler of the future will be a man who plows his earnings back into the business, so that they multiply and strengthen. By investing in outlets of his own he not only is attending to his number one task—increasing volume—but is also assuring continuity of volume.

I am very optimistic about the future of the commission wholesaler, just as I am optimistic about the future of the entire marketing industry. But I am optimistic about the specific kind of wholesaler I have just described—not all commission wholesalers in general. For the future is a jealous creature. She doesn't embrace everybody—only those who are strong and bold, those who believe that good planning and hard work are irreplaceable assets.

The kind of commission wholesaler that I am optimistic about is one who'll become a true partner with his supplier, in addition to the other four characteristics I have listed. This kind of marketer can face the future—whatever it brings—with confidence and courage.

GEORGE M. SULLIVAN

. . . is vice president and general manager of marketing for Continental Oil Co., as well as chairman of API's commission wholesale advisory committee. Sullivan, 55, was born in Butte, Mont.; has a degree in oil geology and chemistry from Montana School of Mines; worked for Standard Oil Co. (Ind.), Associated Oil Co. of California and Warren Oil Co. before joining Conoco as district superintendent in 1931.

What's in Store for the Private Brand Marketer?

Continued success and more expansion, says Harry Read, for those who have what it takes. Here's a wide-angle look at the private brander's potential, by a man who's seen oil marketing from both major and private brand viewpoints

By Harry S. Read

LET'S DEFINE the private brander before we discuss his future.

He's the owner, operator or manager of a service station or stations, selling gasoline under a brand not used by an integrated company or any of its subsidiaries. He has no territory restrictions, and purchases products without benefit of a marginal contract or assured minimum profit protection.

This type of operation came into being prior to 1940. At the beginning, most stations were located adjacent to railroad facilities, because gasoline was received almost entirely in tank cars from independent refineries.

The advent of the transport truck—a wartime necessity to augment the overtaxed tank car fleet—enabled the private brander to build on any desirable location. The construction of postwar superhighways brought a concentration of traffic offering a new high in potential customers.

"Today, larger and more modern stations are being built . . ."

The private brand marketer has sold gasoline at prices lower than other stations because his selling expense has been lower than that of the big companies. Generally, volume per station has been high and the service limited to rapid delivery of gasoline. Complete car service has not been featured; few private branders attempt to market a full line of TBA. Some successfully feature fast-moving novelty items. Make-up oil sales amount to more than crankcase drains.

Today, larger and more modern stations are being built, and driveway service improved. Better products assure satisfactory engine performance to the consumer.

The independents avoid huge advertising budgets or elaborate merchandising expense in addition to initial cost. Private branders feature sales for cash; few have attempted the use of credit cards.

The savings effected have been passed on, in part, to the public, thus creating a retail price differential. Historically the private brander has been able to sell gasoline several cents below the major companies.

"The principal problem seems to be the . . . price differential . . ."

Against this background, let's look at the main questions that have been raised about the private brander's present and future prospects.

- What are his principal problems?

In the face of lower normal prices being posted by leading companies, the principal problem of the private brand marketer seems to be the question of retail price differential.

Many factors affect the differential:

The use of trading stamps, premiums, prizes or cash giveaways by independents and majors has created confusion, resulting in as many as four different price levels for the same grade of gasoline.

Some majors have purchased independent companies and continued selling under the independent brand, thus attempting to satisfy both the price buyer and the quality buyer in the same market.

Semi-major (integrated) companies, lacking public acceptance for their products in new markets, have in some instances reduced retail prices to the level of independent stations in an effort to obtain sufficient volume to justify their investments.

Refiners with surplus gasoline, not previously interested in retail gasoline sales, have purchased

independent marketing companies and are expanding their distribution. Pricing policies frequently follow those of private brand stations as they adopt the two-sided role of supplier and marketer.

Price reductions by dealers often result in subsidies and narrow the differential between majors and independents.

"All marketers must recognize these problems in the future"

All these factors have created a problem as complex as a jigsaw puzzle. None has added to the total consumption of gasoline. The pie is merely being cut into smaller pieces. All marketers must recognize these problems in the future. Each must determine the role he will play and have the courage to maintain it.

- What conditions favor the private brander?

Two prominent factors developing in America today seem to favor private-brand merchandising:

1. The low-priced small car offers a new potential to the private brand station catering to economically minded motorists.

2. The automobile is no longer the prized possession, second only to the home, in the family budget. Boats, electric appliances, television and hi-fi now rank as musts. The family car is being relegated to a secondary position—merely necessary transportation, to be parked outside while the boat takes the protected spot under the carport. Families are finding more community activities indoors as highways become crowded and dangerous. Driving simply for amusement is not as popular as it was two decades ago.

- What social or technological trends will affect the private brander's future?

The trend toward suburbia—more one-family homes, and expanded subdivisions with an increase in suburban shopping centers—might force the private brander to experiment with smaller stations designed to serve these new communities. This would lead in the direction of more stations to cover a given market.

It's difficult to forecast the effect of new products on a long-range basis, because of the tremendous technological capacity of American industry. If semi-solid or packaged fuel for internal combustion engines is developed beyond the experimental stage, it would affect all service stations as we know them today. In that event, fuel for the family car might be bought at supermarkets along with the weekly grocery supplies.

- Will the private brander continue to be strongest in the Midwest and West Coast?

With increased refining capacities and expanded transportation facilities, any geographical barriers that may have existed are rapidly disappearing. Private brand stations are steadily increasing in number, and many large independents are extending distribution beyond their former marketing areas.

- What will the private brander's strengths and weaknesses be in the future?

The strength of the private brand marketer has always been in flexibility of operation, simplicity of supervision—being primarily a gasoline marketer—and in not loading a market with stations. When prices break in a given market, the independent with a small percentage of the total volume suffers less than the majors in the same market, with more stations and the responsibility of subsidizing dealers whose profit margin is cut.

"The problem of supply . . . might prove to be a weakness"

The problem of supply in event of a military emergency might prove to be a weakness if gasoline demand greatly exceeded supply. Few private brand marketers have direct refinery connections. However, the spread between wholesale and retail prices has historically been sufficient to provide an operating profit at all times, even though gross sales volume may decline.

- What are the opportunities and the risks?

While per cent of profit on invested capital may decline as cost of sales increases, private brand marketing of gasoline will continue to offer an opportunity for profit at least comparable to any other distributing business. The risks are not unreasonable because of the rapid turnover of inventory, lack of stock obsolescence, and nominal amount of credit sales.

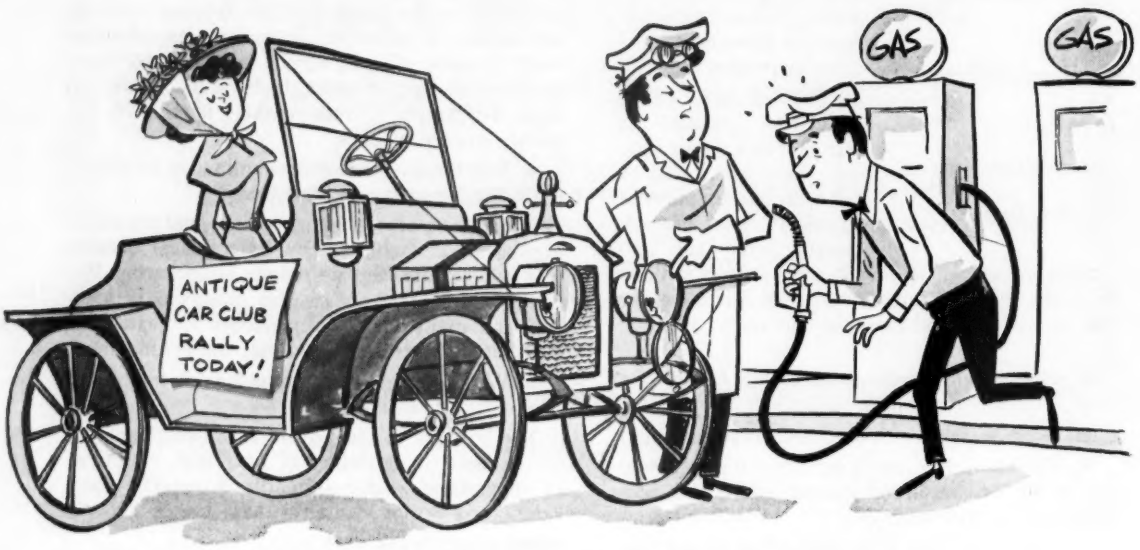
- What kind of man will it take to be a successful private brander in the future?

A man of patience, who can keep an open mind, and is willing to accept the golden rule—live and let live. A man with initiative, sound business judgment, ambition and willingness to work long hours. The successful private brander of the future will have to continue to live like a country doctor—close to the telephone and subject to call at all hours.

HARRY S. READ

. . . is executive director of the young Society of Independent Gasoline Marketers of America, representing about 50 of the nation's top private branders. Native of Wisconsin and veteran of World War I, Read has been a Standard Oil (Ind.) employe; an independent; and finally vice president of Pan Am Southern. Read, 63, retired July 1, 1957, to become a consultant. He's been with SIGMA since June, 1958.

THE LIGHTER SIDE



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Brief But Significant

More fair-trading in Pennsylvania . . . Pipeline and truck shipments up . . . How 'transaxle' will affect oil . . . D-X Sunray out to get jobbers . . .

►Two more majors have gone on fair trade in Pennsylvania—Gulf and Texaco—bringing the total to 10.

SIGNIFICANCE: This could influence the last three major-company holdouts to go along—Esso, Shell and Sun.

► Pipelines carried 20% of all refined products transported in the U.S. during 1957, 1% more than in 1956, complete tabulations now show. Trucks carried 36% (a 0.6% gain), water carriers 38% (a 1% drop), and railroads 6% (down 0.6%). Figures come from the annual report of the Committee for Oil Pipe Lines.

SIGNIFICANCE: Pipelines and trucks continue their slow but steady gains as product carriers (see pages 162-3).

► Humble Oil is offering phonograph records and booklets to station managers for use in "continuous" training programs. The records and books help review merchandising methods for driveway salesmen.

SIGNIFICANCE: Humble's program is one more indication of the current importance attached to driveway training.

► Infrared heaters fueled by natural gas or LPG will be installed at all future Continental Oil stations where the two fuels are available locally.

SIGNIFICANCE: Continental has found the heaters 20%-50% more economical.

► Famariss Oil & Refining Co. is off on a $2-million station building program in New Mexico, West Texas and the El Paso area. The first 10 of 50 new stations will be opened in Albuquerque, N.M., under the brand name "Famas." The outlets will be painted fire orange and turquoise, and none is scheduled to cost less than $25,000.

SIGNIFICANCE: This kicks off Famariss Oil's first attempt to market its own brand.

► Esso Standard Oil is carrying out a multi-million dollar modernization program at its Bayonne, N.J., refinery. The project is slated for completion in 1960. Bayonne, once the world's largest refinery, makes asphalt and specialty products, but no gasoline.

SIGNIFICANCE: Esso says Bayonne's capacity won't be expanded. But operating efficiencies will make lube production more economical.

► Automotive experts predict the day of the "transaxle"—a combined transmission and differential unit—is only a few years away.

SIGNIFICANCE: Transaxles will bring new lube and service problems. Some companies are already developing experimental extreme-pressure lubes for possible use in the new units.

► At least two major oil companies have expressed interest in a new, compact, steel portable station designed by a small Houston equipment firm (NPN —Jan., p19). The station consists of a building and pumps on steel skids, can be hauled on transport. Cost, complete except for storage tanks, is about $5,000-$6,000 FOB Houston.

SIGNIFICANCE: The companies are reported interested in the station for highway locations.

► Shell Companies Foundation, Inc., will donate $1,205,850 in 1959 to educational, charitable, religious and public service organizations.

SIGNIFICANCE: This is the fifth straight year donations have exceeded a million dollars. The Foundation was created in 1953.

► Some 34% of the oil product retail market in Texas went to nonmajors in 1958, according to a major marketer's survey. This is a rise of 1.5% from 1957. The survey classifies as "independent" all brands except recognized major ones.

SIGNIFICANCE: Independent-brand gasoline sales are still climbing in the Southwest.

► Troy Oil Co., Indianapolis jobber, has switched from Tidewater to D-X Sunray. Above, D-X sign goes up at one of Troy's 25 stations. Troy officials pictured are: left, Paul Kritsch, secretary-treasurer; center, Francis J. Schuster, executive vice president. (Founder and president Frank Schuster is not shown.) Founded in 1930, Troy handled Flying A until Tidewater recently pulled out of the Midwest.

SIGNIFICANCE: D-X Sunray bought Tidewater's 10-state marketing facilities and is now out to get some of the many former Tidewater jobbers on the loose.

► The nation's natural gas supply is not growing as fast as consumption. The 30-year supply outlook in 1947 has shrunk to 20-year, says Atlantic Refining's W. L. Bowser, even though the industry finds more gas each year than it produces.

SIGNIFICANCE: A supply pinch is one of a number of factors that could lead to natural gas price rises.

► London buses will soon begin using castor oil for rear-axle lubrication. The lubricant costs more than petroleum-based products, but the British expect to save $336,000 annually through reduced friction and lower fuel consumption.

SIGNIFICANCE: If the idea spreads to this side of the Atlantic, it will mean one more dent in the lube market.

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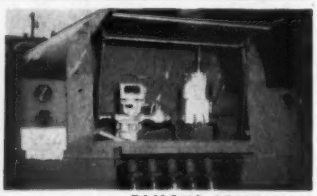

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50 ANNIVERSARY 1909 1959

What's Ahead for STATIONS

HUMAN SERVICING

◄ By Peter Schladermundt, partner in Peter Schladermundt Associates, designer for Socony Mobil Oil Co.

PUMP ISLAND GROWTH

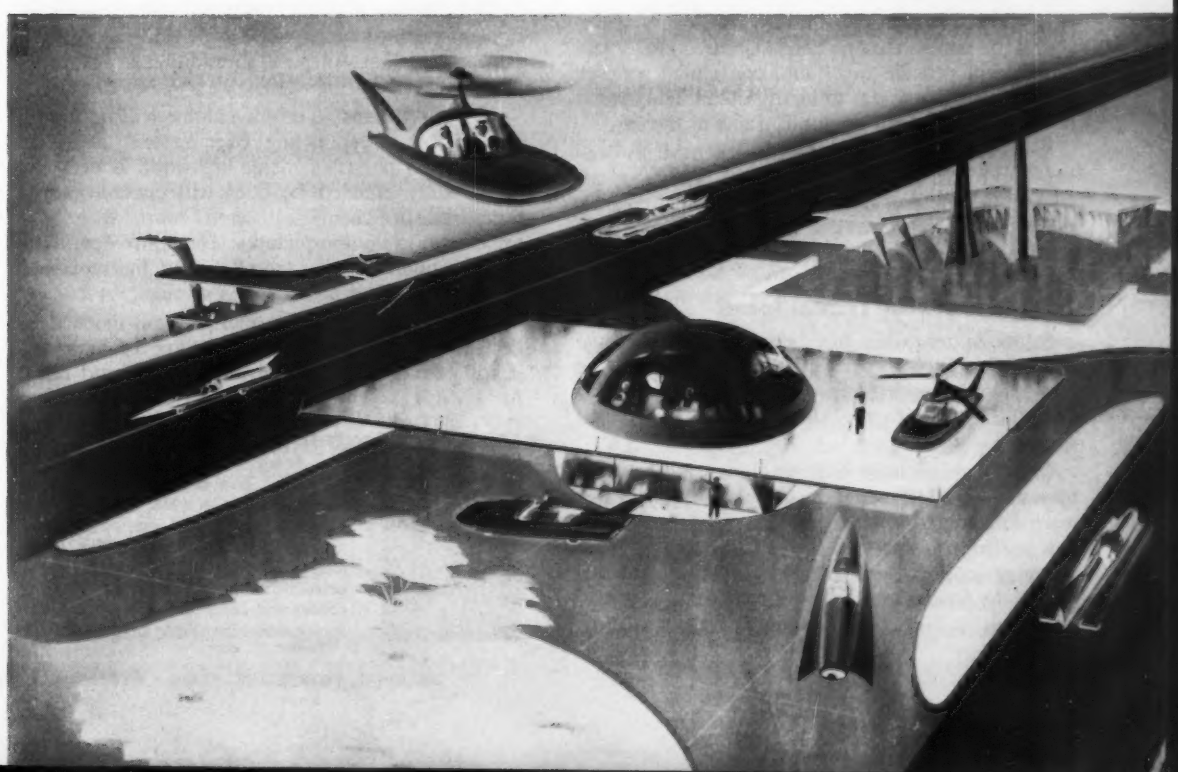
◄ By S. K. Makemson, vice president of Bennett Pump Division, John Wood Co.

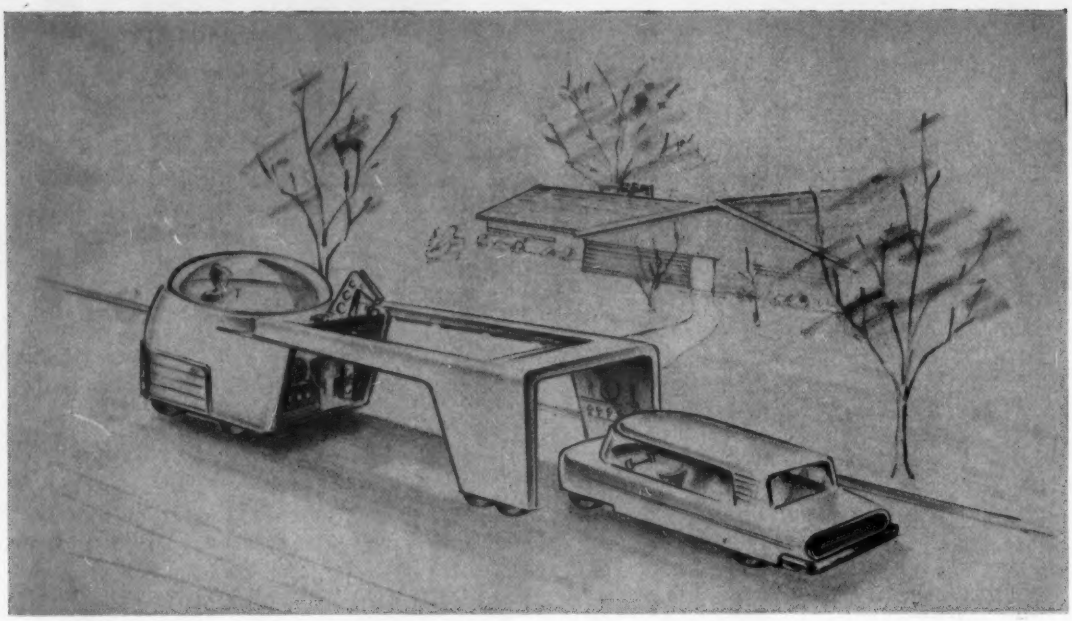
INDEPENDENT OUTLOOK

◄ By Harold Martin, president of Martin Oil Service, Chicago independent brand marketer

TRAVELDOME, the station of the future, is pictured below by Bennett Pump artists. On the next pages, you'll learn about human servicing at traveldomes, tomorrow's pump island, and the outlook for independent station development.

Please turn the page ►





Suburban mobile truck units will bring fuel, lubrication and service to the car at home

Human Servicing: Key to the

By Peter Schladermundt

WE ARE APPROACHING an age of high-speed travel and equally fast-paced thinking. The traveler of the future may cruise along electronically controlled highways at speeds of several hundred miles an hour.

In this age, travel will fall into two basic classes —interurban and suburban. Each class will demand its own kind of service facility.

In the future, modes of travel—air, rail and car —will be more closely tied together. Huge terminals will provide quick and convenient transfer from cross-country jets to metropolitan helicopters, or from rapid transit monorail trains to the car.

Service stations of the future will have to provide more all-encompassing services. They may attend to helicopters, as well as cars. In many cases, the most important object of station service will be the traveler himself.

The Interurban Traveldome

Stress in machines has been studied for some time by engineers. Stress in humans is receiving increasing attention from psychologists, but they are still busy with the stresses of inter-personal relations.

Men of vision have built machines and released forces that affect men of all classes. We must learn to adapt to a new tempo, new rates of travel, new horizons in time and space. The service station can play an important role in helping humans adjust to the Space Age that confronts us.

Fatigue Factor—In the next 15 to 20 years, travelers may drive as much as 1,000 miles a day. Exciting as that may sound, unvarying high speeds will make for boredom and fatigue.

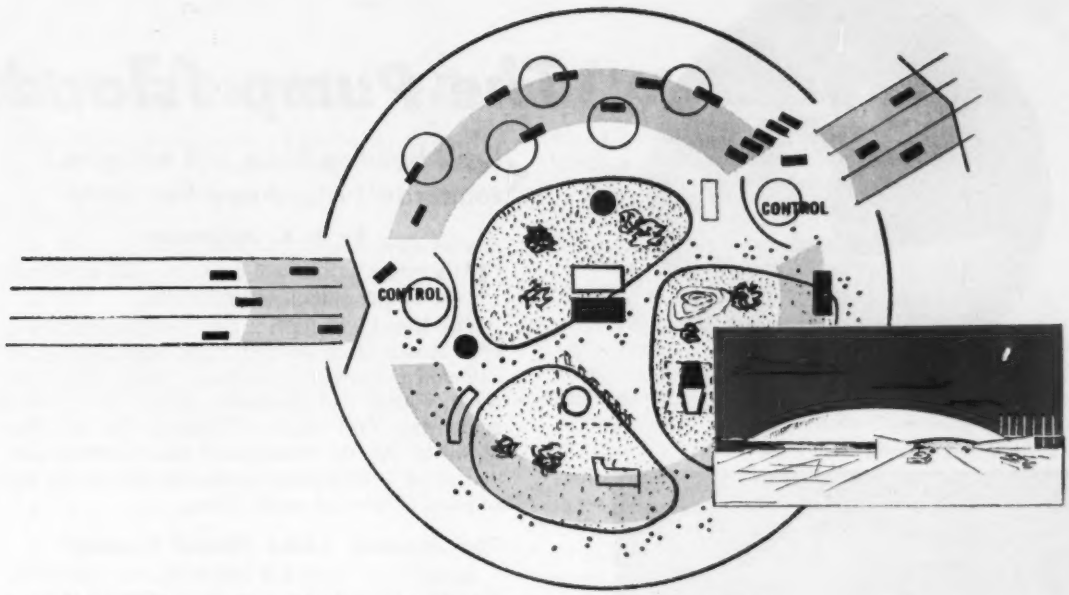
The traveler will need more than a brief stop to refuel his car and grap a bite to eat. He'll need to relax and refresh himself—to feel human again. To answer this need the service station, as we know it, will gradually be transformed into a different kind of service establishment—the "traveldome."

The function of the traveldome—the service station of the future—will be to provide full relaxation and a change of pace, in addition to complete vehicle service.

Driver's Dream—The traveldome will be a vast service center, sprawling over several acres at the junction points of major highways. A network of carefully planned facilities will contain everything from tire-changers to tennis courts, from motor tuneup to motion pictures. The entire operation will function smoothly and efficiently, but its greatest appeal will be personalized service.

The traveldome will be pleasing and modern in design. As the traveler whizzes along the highway, it will beckon him to turn off the road and relax for a while.

PETER SCHLADERMUNDT,
. . . head of the design firm bearing his name, is a consultant to Socony Mobil Oil Co. He worked out Socony's new brand mark for packages and stations. Among his other clients are Philco (TV and radio receivers), Gillette Safety Razor, (dispenser and case), U. S. Dept. of Commerce and New York Central R.R.



Interurban traveldomes will combine car service (top) and recreation facilities (bottom)

Service Station of the Future

Entering the traveldome, the driver will discuss the needs of his vehicle with an attendant at a control tower. Then he'll forget about it, until it's time to leave. The vehicle will move off to a line of streamlined shops equipped with a wide range of electronic equipment.

The traveler himself will go to the recreation section of the dome. Here he will find a swimming pool, bowling alley, miniature golf course and other recreational attractions. There'll be a shop for souvenirs and forgotten items, and a travel information bureau to make his trip easier. An attractive restaurant featuring regional cuisine will serve quick snacks or complete meals.

Local geography and tradition will serve as the decorative motif throughout the dome. The speeding traveler may have missed scenery and historic sites along the road; he'll be able to recapture their mood in the dome.

The dull sameness and conformity of much of our present life will have no place in the traveldome. Because of it, a cross-country trip will be both pleasant and stimulating.

Suburban Home Service

Not all travel in the future will be along superhighways. There will be trips to the shopping center, the school, the commuters' station, just as now.

But there's a good chance that in 15 or 20 years, customers won't drive into your suburban service station. You'll take the station to them.

Service on Wheels—Tomorrow's suburban station will be a complete service center in a central location. From it will operate a fleet of mobile service trucks.

Each truck will be fully equipped with repair, lube and wash facilities, a fuel supply, accessory parts and tools, and an X-ray photoscope machine for diagnosing engine troubles.

Where You Want It—Two men will run the truck, servicing customers' cars at their homes at night, or in parking lots at shopping centers and railroad stations.

The mobile service units will alternate with a vastly expanded pick-up-and-delivery service, somewhat the same as suburban stations now use for lubrication appointments.

A truck unit will be able to service up to 30 cars each day or night. It will be equipped to perform major repairs. If an engine fails, the unit will be able to lift it out and install a new one in a few minutes.

The service station will keep a complete credit and follow-up system. Customers' average mileage and fuel consumption will be checked regularly, to set up service intervals, like a degree-day system in the fuel oil field. As part of the comprehensive service, a motorist might carry an insurance policy to cover all normal repairs, excluding accidents. Like the Chinese who pay the doctor only when they are well, the motorist would make monthly payments, based on the amount of anticipated wear. Fuel would be billed separately.

Both the interurban traveldome and the suburban mobile service unit will be dedicated to one thing: making travel easier and more pleasant for the motorist of tomorrow.

The Pump Island:

Basic building block – it will give tomorrow's island new flexibility

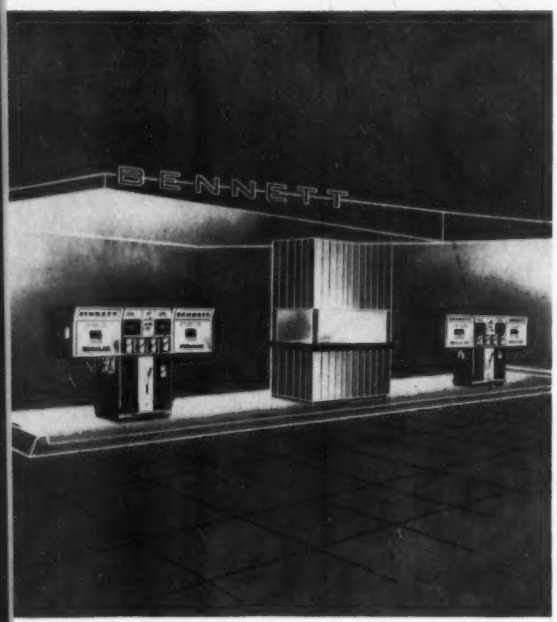
By S. K. Makemson

THE PUMP ISLAND will dominate sales activity in the service station of the future.

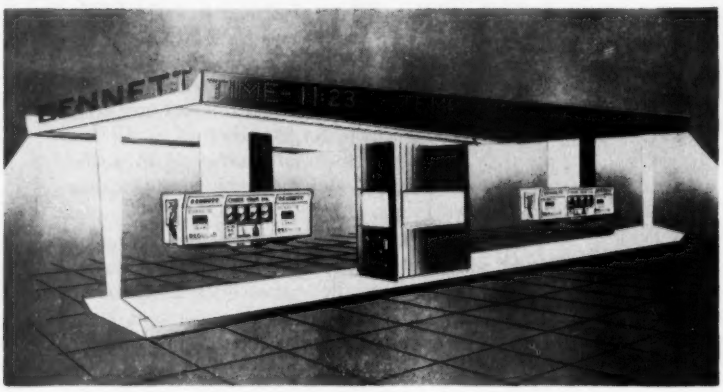
The island will form a complete merchandising unit. It will integrate everything needed for good automotive service—gasoline, motor oil, air, water, battery and windshield service, credit card equipment, TBA displays, lighting and handling of waste. As the business of the station grows, the island will be able to expand with it, by the addition of selected service units.

The Module Sales Island Concept

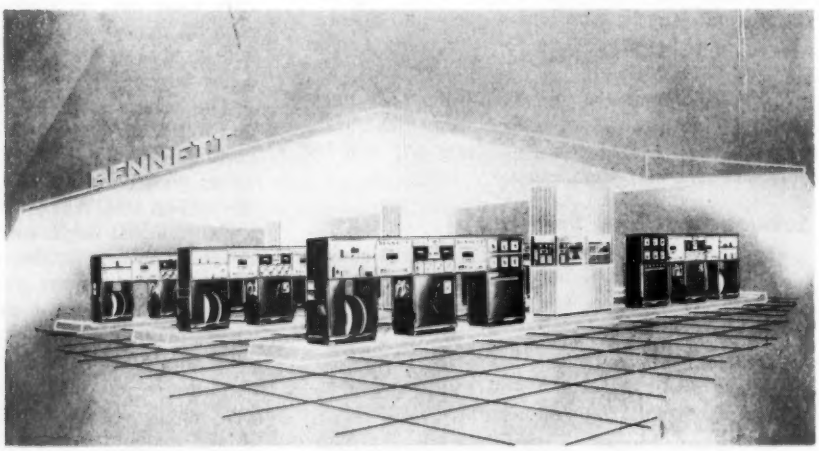
In our view, flexibility will stem from use of the "building block" idea. Starting with a basic module unit, an oil marketer will be able to fit his



Integrated island has canopy, office, full service



Futuristic version suspends service units from canopy roof



Multipump version joins integrated island with a common canopy

Key Element in Future Stations

pump islands to the needs of his business by adding more modules, or varying the component parts.

Here's what a basic sales island module unit would consist of:

- Two standard computer heads (with remote pumping units)
- Two 2-row oil merchandiser units
- Can crusher
- Credit card imprinter
- Automatic air and water service
- Two windshield service units

Variations of the basic module units include:

- Special narrow dispenser heads
- TBA cabinets
- Vending machines
- 4-row oil merchandisers

Office Building—A complete island unit would feature a driveway salesman's office. Its interior would be air-conditioned and heated. Equipment would include desk, chair, cash register, interstation communication system, public telephone, maps, cigarettes.

Overhead, a canopy, supported by the station building, would afford shelter from rain and sun. Diffused lighting would emanate from underneath the canopy. The sides and top would be used for brand signs.

For larger stations, two or more module units per island are possible. And for the huge multi-pump outlets, one great canopy can join several sales islands.

Why the Emphasis on the Island?

Retail petroleum marketing, since the advent of the integrated service station, has changed its tools very little. Substantially the same patterns have been followed in building design, island layout and dispensing equipment for 25 or more years. Some gradual refinements have been made, but there has been nothing really new or revolutionary.

Why have marketers held firmly to the same designs year after year? It's not because of lack of money, know-how or leadership. The real reason is twofold:

(1) Up to now, the marketing climate hasn't required a radical change.

(2) The economic advantage of new ideas hasn't outweighed the cost of potential complete obsolescence.

S. K. MAKEMSON,
. . . now vice president and general sales manager for the Bennett Pump Division, John Wood Co., Muskegon, Mich., was first of all an oil marketer. Before he came to Bennett he was sales manager for Aetna Oil Co.

Makemson, 51, suffered a heart attack Dec. 27. His prognosis is reported good.

That's changing now. The time has clearly come to take a hard look at the crowded, cluttered pump island. Over the years, it has grown, almost by itself, and certainly without planning.

Costs Are Up—The smart marketer strives to keep his marketing costs in line with those of his competitor. It takes no genius to build a more luxurious station, if costs are disregarded. The real challenge is to design and equip a station that will increase sales—and thus decrease sales costs.

Many times, the budgeted amount for a new station is exceeded because of changes authorized during construction. As a result, somewhere along the line, an "expedient" over-all reduction is made in the stations cost. Essential marketing equipment is cut out.

That's a backward procedure. What's needed is greater flexibility in the over-all design of the retail outlet, and most important, in the selection of an equipment package based on a realistic study of potential, function and cost.

Salesmanship Is Dying—Only one out of 20 customers get away from the pump island and into the salesroom or display area. We rely almost entirely personal selling on the driveway.

The salesman, indolent, indifferent, or inexperienced, rarely points out the motorist's needs. He seldom gets mororists into the TBA area.

Admittedly, the problem of increasing sales drive at the island is an old one. Today's critical manpower situation makes it more acute. Despite continuous well-planned and executed training programs, most driveway salesmen do not sell. Isn't it time, therefore, that we change our basic approach to the problem?

As we see it, there must come some degree of automation in our service station marketing. Somehow, we must motivate and organize the creation of the desire to buy, instead of relying on the driveway salesman to initiate it.

The effort of the driveway salesman should be a supporting activity, not a creative activity. We can solve part of our problem by reducing the degree of personal sales efficiency required.

Island is Key—Aside from a few minor changes, pump islands today are the same as 25 years ago.

But buying habits are different. Today's motorist has made the island the real point-of-sale. Existing islands are inadequate to serve the motorist.

We need new island concepts to integrate equipment, manpower, services and merchandise display. We need a new and imposing island design that follows the station's function. De-emphasize the station building and make the island the real center of activity. We believe that's the pattern of the service station of the future.

Giant-Sized Stations Ahead

Tomorrow's huge independent outlets will be designed for specific spots and needs, says a top private brander

By Harold Martin

BIGGER, MORE FLEXIBLE service stations are coming. They'll offer a wider range of customer services and merchandise than before.

Marketers will tailor tomorrow's stations to the needs of particular locations. Design standards will be more elastic. Instead of cramming products and services into stations, we'll build the stations around them.

Expansion of Services

In the last few years, especially among major marketers, there has been a swing to more automotive services at the station.

One station does brake work, another has electronic tuneup equipment, a third has a fully-equipped wash and polish bay, and a fourth has all three. Among majors the trend toward auxiliary services is bound to continue and expand. Station design will change to accommodate it.

Independent marketers, on the other hand, have been adding general merchandise—non-automotive products—at the same rate. Our island showcases and station salesrooms are loaded with all kinds of goods. That trend will also continue.

As merchandise lines expand, independents will build bigger showrooms. Instead of the major company's lube bay, we may have bay-sized, glass-enclosed areas housing a wide variety of impulse sales items.

More Room—Along with the trend toward larger showrooms, will go a swing to bigger lots. Stations will be roomier, access will be easier and more flexible.

Ideally, a service station in the city should cover an entire city block. It would have ingress from four streets. There would be no competing brand signs on the same block. The whole layout would look more inviting.

HAROLD MARTIN,
. . . a leading Midwest independent brand marketer, has headed his own company for 10 years. Martin Oil Service's 70-odd stations in the greater Chicago area pump 35-million gal. a year. He is also a prominent member of the Independent Brand Gasoline Marketers of America, newly formed independent voice.

In the country, on open roads, a minimum frontage of 500-ft. to 600-ft. will be the standard of the future. This super-station will have brilliant spectacular signs with long-range visibility, to give speeding motorists plenty of time to slow down.

More Payout Per Station

Giant stations like these will cost even more money than the best outlets we have today.

Marketers will have to face up to the fact that tomorrow's stations are going to be expensive. Once you have a good location, you must be willing to put up the best possible station on it. And as competition increases, you'll be forced to spend more just to keep up with the other fellow.

Good Return—But a higher investment in facilities will prove worthwhile in the future. The nation's steadily growing population and rising motor vehicle registration figures clearly show the need for more, and bigger stations. Marketers will get more payout per location in this expanding market.

One trend that will bring more customers per station is the combination of service stations with restaurants and other lines. You can see this principle in operation on turnpikes and toll roads. Ideally, a customer should be able to leave the restaurant and drive to the pump island on his way back to the highway.

Immediately Ahead—The giant station of the future is still a few years away. In the meantime, marketers will be concentrating on improving existing facilities in stations.

Rest rooms, for instance, are due for upgrading. A major-marketing company recently hired a special consultant to make a detailed review of rest rooms. Look for more companies to give new emphasis to this often overlooked, but important, merchandising factor.

Pump islands will be equipped with new labor-saving devices, powered by electricity. For instance, an electrical buffer for cleaning dirty windshields is a possibility.

There'll be increasing use of lightweight building materials—structural aluminum, for example. There'll be a general expansion of glass as a building material, especially in showrooms. But porcelain enamel will remain a favorite building cover for some time to come.

When the time comes for major improvements in station design, the independents will be right there with the majors, working to give the motoring public what it wants.

CLEAN, UNCLUTTERED FORTY-EIGHT INCH LOW PROFILE . . . . . LARGE T.V. DIAL FACE WITH WIDE ANGLE VISIBILITY. ROOM FOR BRAND PANEL. . . . . EYE-LEVEL SLOPED DIAL ILLUMINATED BY OVERHEAD STATION LIGHTS . . . . . EASILY CLEANED, FLAT GLASS DIAL WINDOW. REPLACEABLE AT LOW COST. KEEPS DIAL CLEAN. . . . . STAINLES STEEL SIDE PANELS AND TOP REQUIRE NO MAINTENANCE . . . . . ONE-PIECE DIAL HOUSING. COLOR FULL LENGTH. EASILY REMOVED FOR REFINISHING. . . . . LESS PANEL AREA TO REPAINT. . . . . CONCEALED BASE REQUIRES NO REFINISHING. . . . . NEWEST COMPUTER WITH OVER- . . . . RIDING SAFETY CLUTCH. . . . . FULLY AUTOMATIC RESET. SINGLE-LEVER, ONE-HAND CONTROL. . . . . 13½′ LONG HOSE REACH. NONSCUFF HOSE-ROLLER GUARDS. . . . . EASY PULL, CABLE HOSE RETRACTOR WITH LATCH-OUT DEVICE. . . . . DESIGNED AND STYLED WITH FUNCTIONAL SIMPLICITY FOR LONG LIFE AND DEPENDABLE SERVICE. . . . . GREATER VALUE, ... LOWER COST. . . . .

Introducing . . .

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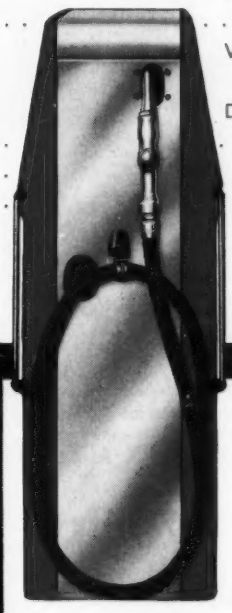

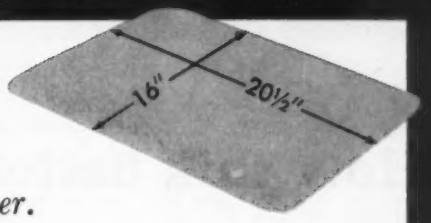

The new dimension in marketing equipment. Occupies less island space than any other dispenser.

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BOWSER, Inc. Marketing Division, Fort Wayne, Indiana

HERE'S THE WAY TO...

LOAD FASTER...

Faster loading of truck transports can be achieved with drive-through loading racks and Rockwell remote, meter-controlled pumping

How this better meter system works

Each ticket printing register in the meter house (above) is electrically synchronized to the register of a Rockwell Rotocycle meter on the loading rack. Hence, all gallonage dispensed by the meter is accurately recorded and printed under the finger-tip control of the meter house supervisor.

ROCKWELL *REMOTE REGISTRATION*

reduce operating costs

When a terminal is modernized or a new terminal constructed, many cost-conscious oil company officials are recognizing these facts: (a) that drive-through loading racks with centralized control simplify truck spotting; (b) that larger pipes and faster pumps save loading time; and (c) that Rockwell remote registration meter systems speed deliveries, simplify accounting and guard security.

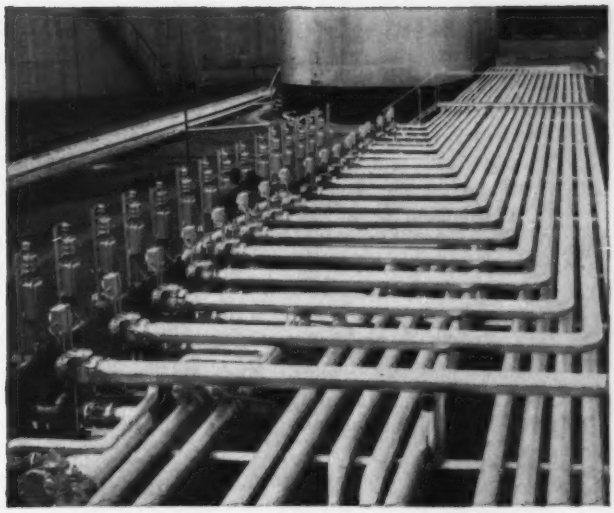
How trucks are loaded and speeded on their way

When a driver arrives at the terminal, he is told over the intercom system which loading rack he is to use. He then sends the ticket from his previous delivery to the meter house via pneumatic tube. His truck is loaded by a remote controlled Rockwell register at the meter house and the metered ticket for the next delivery is sent back by tube. There are no employees at the loading rack except the drivers. All flow is regulated via automatic shutoff devices from the meter house.

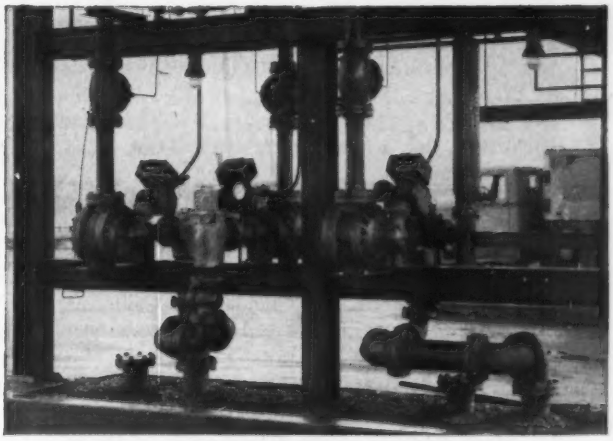
You, too, can benefit from remote registration

The Rockwell system of remote registration and control is in active use at many terminals. Its effectiveness has been proved; its economies charted. For full details write Rockwell Manufacturing Company, Pittsburgh 8, Pa.

METER SYSTEM



BIGGER PIPES, running symmetrically from storage tanks to pumps, boost loading speed. These lines are controlled by Rockwell-Nordstrom valves.



ROCKWELL ROTOCYCLE METERS in loading bay dispatch measurement to corresponding printing registers in meter house. Registers atop these meters are for check purposes only.

ROTOCYCLE METERS

another fine product by

ROCKWELL

Major Brand vs. Private Brand:

Recent trends show marketing concepts are closer than most people think. Someday, it may be impossible to tell them apart

INDEPENDENTS AND MAJORS are learning new marketing tricks from each other. As a result, traditional lines of separation are becoming more blurred.

Confusion between what's properly "major" and "independent" is a healthy sign, say marketers. It means the oil industry is constantly adapting itself to the changing demands of the traveling public. It means, further, that each independent or major is alert to what's good and bad in his own way of operating.

The Rules Break Down

Some marketers still insist there are basic concepts that set majors and independents apart. They cite the traditional formulas shown on the opposite page.

But formulas can't contain marketers in today's rampant competitive market. Oil men can't stick to methods of operation because they're "traditional" or because "that's the way we've always done it."

Not too many years ago, Sun Oil Co. used to be called "the industry's largest private brander." Standard of Kentucky is still frequently referred to as an "oversized jobbership." And successful private branders are often given the title "baby major."

As new developments pop up, there may be even less distinction between major and independent. Right now, here's how the "formulas" look in actual practice:

Controlled Operations — Imperial Refineries Corp., St. Louis independent, has 60% of its 134 stations on dealer operation. Of 38 stations flying the Wisco flag in Wisconsin, 16 are jobber-operated. On the major side, Standard of California, Western Operations, Inc., lists 1,044 directly operated stations out of a total of 6,851.

Full-Line Service—Pate Oil Co., Milwaukee independent (and market leader before its purchase by Jersey Standard) built a reputation on service in the lube bays, as well as at the island. Several majors, on the other hand, are currently erecting highway stations without lube bays, equipped with vacuum oil changers.

Price—Tresler Oil Co., Cincinnati independent operator of 115 stations, meets the major price right on the nose. In many areas, price troubles begin with major company dealers who hand out pump discounts. New York City dealer, for instance, sells a major brand at an advertised price almost 8¢ under his competition.

Integrated Operation—Clark Oil & Refining Co., one of the biggest independents, owns producing wells, barges and a refinery, besides its 411 retail outlets. Standard of Kentucky, on the other hand, is strictly a marketing company.

Multipumps—Jenney Manufacturing Co., New England independent, built a whole chain on the small station concept. So did Imperial in St. Louis. For sheer size, it's hard to beat some of the giant outlets put up by West Coast majors. What's billed as the world's largest service station is a major brand outlet (Utoco) on the outskirts of Salt Lake City, Utah.

Stamps—Virtually everybody has them.

Credit Cards—Many independents have their own card systems. Universal credit cards are making their first headway with a pair of big independents—Wilshire Oil Co. and Frontier Refining Co. But Diners' Club reports several majors are "close" to signing up.

Storage Capacity—Direct transport storage has been adopted by efficient marketers on both sides of the fence.

Number of Stations—The bigger majors far outclass any private brander. But you can compare the 600 stations of Jenney, Wilshire or Frontier Refining with Utah Oil Refining's 687 or Standard of Texas' 800.

Volume—Billups and Clark both soar over 200-million gal. of gasoline a year, and that's big business for any oil man.

Number of States—Hudson markets in 23 states, Standard of Ohio in only one.

Public Ownership—Both Clark and Billups are on the open market. Other independents are reported considering similar stock offerings.

Industry Status — Independent branders have their own association. It's growing rapidly and adding prestige to this segment. You'll find articulate independents high in the circles of NOJC and API.

Product Quality—Most independents buy from major suppliers. They sell a competitive grade of gasoline. Several are currently guaranteeing a 100-octane-plus top grade.

The Bone of Contention

Some independents meet major prices. A few even go higher. But generally a lower-price differential is characteristic. It's a sore spot with most major marketers.

By RICHARD C. SCHROEDER
Merchandising Editor

Are They Really That Different?

'Classical' Major Features

- Lube and wash bays
- Full-line automotive services and accessories
- Stable prices
- Fewer pumps
- Lower unit volume
- Dealer or jobber operation
- Integrated from well to station
- Emphasis on product quality

'Classical' Independent Features

- Multi-pumps
- Small station building
- No lube bays
- Quick island service
- Few accessories or car service
- Low price
- Stamps and premiums
- Controlled outlets
- High unit gasoline volume
- Product distribution only; no integration

Some oil men accept the differential because of the nature of independent operation. "He's strictly a distributor," says a major executive. "He can take a small margin on gasoline and make it up on pandas and cowboy hats."

(Another major man answers facetiously, "Wait until Jimmy Roosevelt has his way. Then we'll all be in the same boat.")

Economic Reasons—Independents insist there's good reason for the traditional price spread. Their cost of business is lower, they point out.

Independents do not—and cannot—compete with majors in advertising. They claim they have to merchandise much harder at the point of sale. The differential is one way to do it.

There's little consumer business to cushion lean retail times, independents say. Many majors right now would argue that if consumer business is really a "cushion," it's filled with pins.

Major Replies—At any rate, say the majors, independent stations in many areas are the equal of majors, in nearly every respect. They're modern, well-equipped and strategically located. The price spread is a needless umbrella, they say, and many marketers are threatening to reduce it.

It's no secret that majors themselves are largely responsible for the price competition that bothers them. Independents often buy their product from major suppliers at lower-than-going prices. Rare is the major marketer who has never unloaded distress product. Rarer still is the marketer who doesn't deplore the practice.

"I'm concerned about the growth of the unbranded companies," says Col. D. T. Colley, vice

(begins on page 144)

president of Atlantic Refining, "fed by the refineries of those companies who will suffer most from the resulting price wars."

Future Outlook—If the current imbalance of refinery gasoline stocks is corrected, some majors may make good their threat to shave the differential. But it won't happen in today's weak market.

It won't happen, either, in widespread areas. The differential may be squeezed gradually in spotted areas around the country, but it would be too costly—and to risky, from many angles—to try it on a broad scale.

Over a longer period of time, marketing evolution may pave the way for a downward adjustment of the differential. As majors borrow more techniques from independents, they may find new ways to cut costs. On the other hand, as independents adopt major concepts, they may find price a less important merchandising tool.

Look at recent developments in major stations, for instance. Esso Standard, Cities Service and Socony Mobil all have highway stations with no lube bays. Esso's Bayway, N. J., station (NPN—Nov. '58, p89), with its wide drives, tiny station house and long billboards, looks like a fugitive from a Midwest private brand chain.

That's not all. Majors who market on turnpikes use their stations as training laboratories for new personnel. Pump island service is strictly "on the run," and you can bet that marketing managers are looking for ways to extend that kind of service to all their stations.

Many experts predict lube bays will disappear from all stations in a few years. C. A. Peterson, formerly design chief for Pure Oil, is a leading proponent of the idea. Recent news from Detroit (see p171) tends to add strength to the prediction.

A Marketing Third Force

Traditionally, marketers have agreed that there is a set proportion of "price buyers" among consumers. The percentage varies from section to section of the country. Low-price independents have abounded in the West and Midwest, but until recently have made little headway on the East Coast.

As the current crop of big independents becomes more "respectable," a new crop of genuine cut-raters may be growing up all over.

Twenty years ago, when companies like Spur and Gaseteria were establishing themselves, they pioneered the concept of the "trackside" station. The operation was based on a plentiful supply of product at a good low price. But the stations usually were not much to look at.

Today's independent, with his multi-million-dollar investment in modern stations, eschews a fierce price-cutting operation. Thus the bottom end of the price scale is left open to the so-called "one-lung" station. It's not located on a railroad siding. It's usually in a decaying section of a large city. It's an old station, abandoned by other marketers because of obsolescence, overcrowding or competition.

The cut-rater takes on such a station and picks up distress product—sometimes from a major supplier, sometimes from a terminal operator or broker. The important thing is that he has nothing but price to sell. In so doing, he hurts both the major station and the "respectable" independent station. Both major and independent face precisely the same problem: how to beat this competition without wrecking the entire market.

Some major marketers are still unconvinced that the entire private brand segment is anything but "a bunch of dirty cut-raters." But the concensus among major officials is that by and large the leading independents are a force to be respected in a clean market.

When a market is invaded by one-lung operators, it may become increasingly clear that majors and strong independents are "brothers under the skin."

Stations of the Future

Majors and private branders may finally meet on equal ground in tomorrow's station designs.

Both are currently struggling to keep up with sweeping changes in the habits and preferences of the motoring public (NPN—Oct. '58, p107). Both are working on station designs that will accommodate radically different power plants and construction in the car of the future.

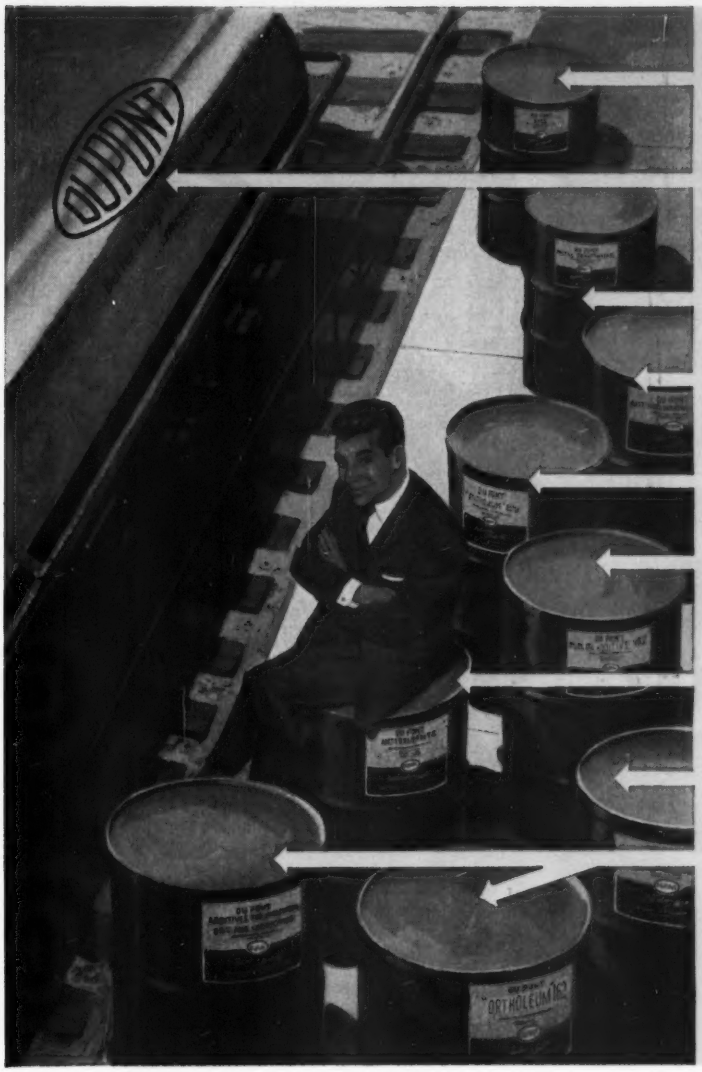
In recent years, independents have led majors in lighting improvements, station layout and cost-cutting construction methods. Now, most majors show signs of picking up the ball on their own. One of the latest developments in the station field—a prebuilt station—was sponsored by a major company, American Oil.

On page 136 of this issue, you'll see an example of forward thinking by a major-company designer. You'll also see dream designs by a pump manufacturer. Finally, you'll see what a representative private brander is thinking about for the future. ■

A Primer on Independents

IN THE PAST TWO YEARS, NPN has published more than two dozen articles on independent brand marketers, their method of operation, their aims and their problems. Here are ten full-scale case studies of independent companies. All are available in reprint form.

Apr '57	p100	Site Oil Co.
Jun '57	p109	Wisconsin Ind. Oil Co.
Sep '57	p114	Wilshire Oil Co.
Nov '57	p92	Gaseteria, Inc.
Dec '57	p98	Billups Petroleum Co.
Feb '58	p132	Ingram Products Co.
Mar '58	p95	Imperial Refining Corp.
May '58	p88	Spur Distributing Co.
Jul '58	p106	Knox Industries, Inc.
Jan '59	p76	Beaver Oil Co. (Canada)



Du Pont Dyes—Du Pont offers a complete line of oil colors for identifying grades, meeting legal requirements and for adding brand identification to your gasoline, fuel oil, lubricants and other petroleum products.

Tetraethyl Lead—For smooth, knock-free power . . . highest octanes at lowest cost. To give you fast, dependable delivery, Du Pont maintains ample stocks at 25 distribution points throughout the U. S., convenient to refiners everywhere. Stocks are available in tank cars and drums.

Du Pont Metal Deactivator—Combat copper-caused gum in gasolines and sludge and gel formation in fuel oils with Du Pont Metal Deactivator (DMD). The industry's standard for nearly 20 years.

Du Pont Rust Preventive No. 2—Impart detergent action, stall protection and anti-rust property to gasolines at extremely low cost with Du Pont Rust Preventive No. 2 (RP-2). This superior product is widely used also in jet and heating fuels.

"Ortholeum"® 300—Stabilize and protect greases with "Ortholeum" 300 grease stabilizer. It offers the combined advantages of metal deactivation and antioxidant action.

Fuel Oil Additive No. 2—Improve your fuel oils with Du Pont FOA-2, the additive which stabilizes heating oils, diesel fuels and residual stocks. Its solubilizing action and dispersancy prevent sludge formation and suspend any sludge present in fuel systems. The sludge burns with the fuel.

Antioxidants—Protect gasolines from oxidation and gum formation. Complete line offers antioxidants for every purpose, every refinery stock. Du Pont Antioxidant No. 22 is especially noteworthy for its additional usefulness in sweetening.

Du Pont Metal Suppresser—A newly developed product uniquely effective for coating copper parts in hydrocarbon systems and thus suppressing solution of the metal into the product.

Additives for industrial oils and lubricants—Three widely used and highly effective additives for improving the performance and stability of industrial oils and lubricants are:

"Ortholeum" 162 lubricant assistant
PAN (phenyl-alpha-naphthylamine)
PBN (phenyl-beta-naphthylamine)

How Du Pont additives can help improve petroleum products

Each of the additives in Du Pont's complete line was developed to overcome a precise problem or add a performance "extra" to your petroleum product.

Service also is available for the selection and handling of these additives, and in training your blending plant personnel. Your Du Pont Petroleum Chemicals representative supplies these and many other services. He's backed by a large staff of specialists in research, training, production, safety, sales promotion and advertising, men who have devoted long careers to cooperating with refiners.

Feel free to call in your Du Pont representative, or write Petroleum Chemicals Division, E. I. du Pont de Nemours & Co. (Inc.), Wilmington 98, Delaware.

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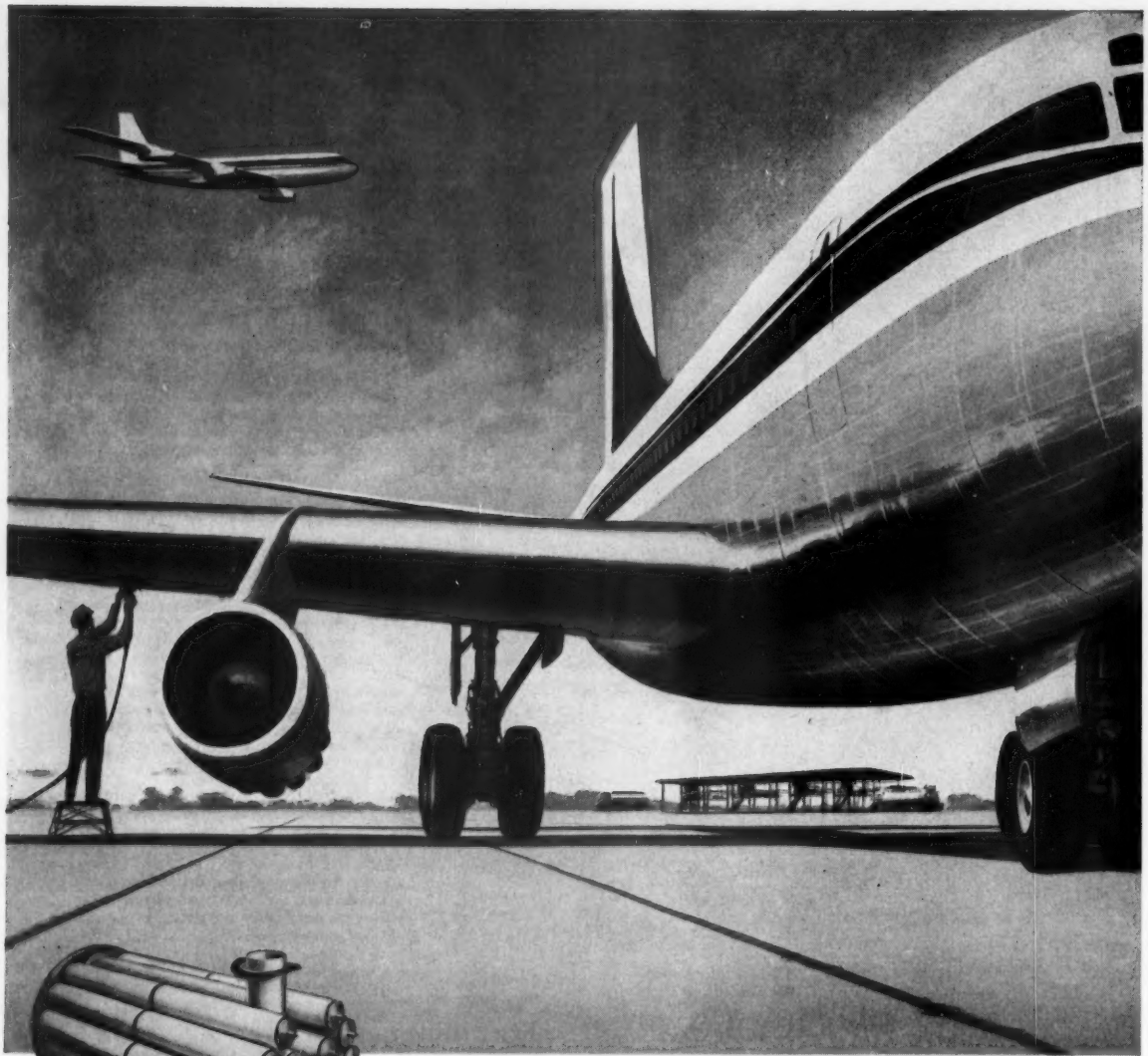
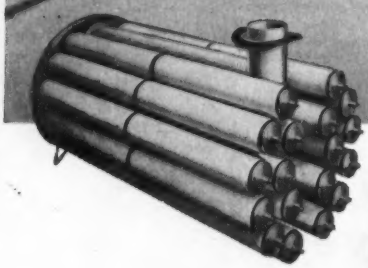
Tetraethyl Lead
and other
Petroleum Additives





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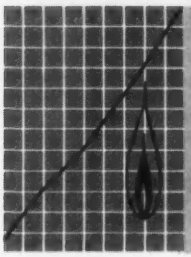
What's Ahead for FUEL OIL

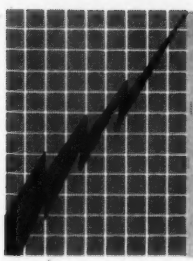
THE HOUSING OUTLOOK

◄ New statistics on growth trends vital to heating oil expansion page 151



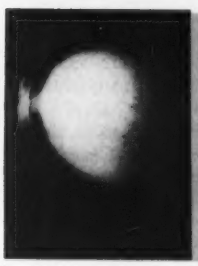
GAS HEAT'S PLANS

◄ How oil heat's toughest competitor maps its campaign to get more home heating business ....page 152



ELECTRIC HEAT'S PLANS

◄ How the utilities expect to capture a large share of the heating and cooling market page 152



BURNER RESEARCH

◄ That's the industry's big need for the future. Here's what key men say must be done .....page 156

On the next seven pages you'll find a survey of the outlook for new oil-heat installations, a look at the expansion plans of oil's toughest competitors, and an analysis of oil heat's needs. A demand forecast for all fuel oils begins on page 117

AUTOMATICALLY FIRED central-heat systems were still in the future when NPN began in 1909; so was the domestic heating oil industry.

Oil burners, though, were not unknown. Ray Oil Burner Co., still in business, set up shop in 1873. The kerosine space heater was used in many homes, but over-all, coal was king.

Today, in 1959, domestic heating oil and oil-heat

Continued on the following page ►

Heating Oil: The First Fifty Years

(Begins on page 149)

equipment are big business. But most of it is in the hands of small business men: jobbers, resellers, agents. Heating oil sales have risen from 700,000 bbl. in 1921 (12,500 home burners) to more than 307-million bbl. in 1955. In the 1957-58 heating season, the home fuel oil bill for more than 9-million oil-fired central-heat systems and about 7-million non-central systems was $2.4-billion, says National Fueloil Council. That was about half the total home heating bill. About $518-million more went for oil-heat equipment sales and service.

The Growth Years

Oil heat has grown in spurts, affected by the type of equipment offered, the type of oil for such equipment, wars, economic conditions and competing fuels.

Coal-less Mondays in World War I were behind the first big step by oil heat to get into homes. But the equipment, mostly of the mushroom type, wasn't satisfactory. Fed by gravity and using natural draft, these burners gave off too much heat on mild days, too little on cool days. They smoked and were sooty. The oil they burned wasn't uniform in quality; too many grades were offered.

The growth period of oil heat began in the Twenties. With it came better equipment, fewer grades of oil, and grade specifications.

Gun-type pressure burners and horizontal and vertical rotaries came out in 1924-25. Oil was now pumped from storage, atomized and mixed with air for improved burning by mechanical draft. Automatic controls in 1927-28 made oil heat a better package. By 1929, domestic oil sales exceeded those of industrial oils for the first time.

The industry set up its first trade group during this period, the American Assn. of Oil Burner Manufacturers (later to grow into Oil-Heat Institute). This group worked for sensible regulations to make oil heat easier to sell and install, for fewer grades of oil, and for specifications for the grades it thought necessary. By 1929 the Bureau of Standards accepted these specifications as its own "Commercial Standards."

In the Thirties oil heat continued growing. In addition to conversion units, it began to reach new-home markets with packaged units. Major oil companies became interested in selling, installing and servicing burners. Selling techniques improved. Coal dealers, seeing what was happening to their market, slowly began to hitch rides on the oil-heat tankwagon.

The automatic degree-day delivery system was offered in 1936. Battery-powered hose reels were replacing hand-cranked types. Nozzle speed controls and full-tank signals bowed in. Meter duplicators led to printed delivery tickets. Burner service covering labor was offered on a contract basis. Oil men began to hear talk that natural gas was planning to reach 36 states through pipelines.

More growth came during the 1940s, aided by the beginning of the post-war housing boom and by the demand created during the shortage years of World War II. Shell Oil's new combustion head for burners was offered to—and accepted by—equipment makers on a royalty-free basis. The combustion head offered better mixing of air and oil, cleaner and quieter operation, better heat and economy.

The oil-heat package was beginning to take shape. Annual cleanup and checkups, along with tank protection, were added to service contracts. Budget accounts were introduced. Two-way radio was used for better dispatching and service. Tight-fill connections were used to avoid spills. The summer-fill program was started. A degree-day clock improved automatic deliveries. OHI set up its distribution division for jobbers, resellers, dealers. And oil heat reached its banner year in 1947, selling close to 900,000 units.

Signs of Slowing Down

Growth in the Fifties has continued, but it shows signs of slowing down. Oil heat had its second, third and fourth best years in 1950, 1953 and 1955, selling more than 800,000 units each year.

But gas, where available, was beginning to grab the new-home market.

OHI came up with its label plan to upgrade installations, and increased the activity of its distribution division to show oil men how to serve customers better. Majors offered their research labs to burner manufacturers.

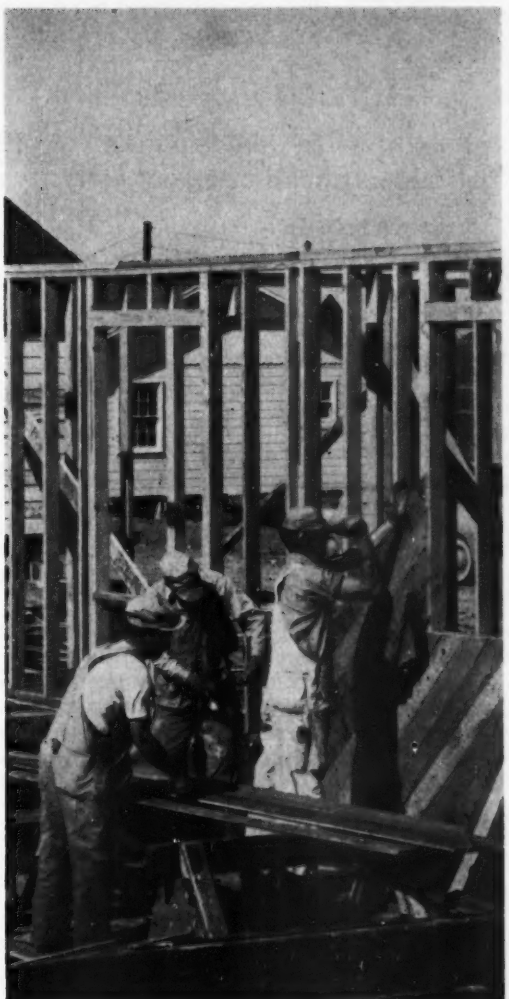
Refinements were added to oil heat: additives for oil stability, to clean out sludge, to protect tanks; sickness, accident and death coverages in budget plans; an improved degree-day clock that figures the effect of sun and wind; IBM punch-card systems for better dispatching; better oil, using hydrogen as a catalyst in refining; more attention to operation details for lower overhead and better service.

But despite these aids, the slowdown continued. In the decades up to 1950, oil burner sales more than doubled in each 10-year period: 737,000 in the Twenties; more than 1.6-million in the Thirties; close to 4-million in the Forties. In the Fifties, sales now stand at about 5,627,000 units. Sales have dropped from 808,805 units in 1955 to about 504,200 units last year. The rate of decline was 10% in 1956, 19.6% in 1957, and 12.9% in 1958.

What's the Housing Outlook?

▶ As home-building goes, so goes oil heat. A new McGraw-Hill report spots a big housing boom by 1965, with signs of it by 1963

▶ A million single-family units may go up in 1959. That could well be the annual housing volume for the next five years, says the report



THESE ARE highlights from the McGraw-Hill Economics Department's study of the future new-home market:

- Up to 1965, the trend may be to smaller, cheaper houses—but not as small nor as cheap as those built in the 1948 construction boom.
- More people will take to apartment living and move into mobile homes (trailers).
- Fewer families will move into the 30-65 age group between 1960-70 than moved into that class in 1950-60.
- There will be no increase in the number of households headed by people in the 30-45 group.
- There will be a slowdown in the number of people moving into the 45-65 age group.
- There will be a big jump in the number of persons moving into the 19-29 age group. And when they marry, they'll kick off the 1965 housing boom.

What's Ahead for Oil Heat

Gas heat, oil men admit, has largely taken over the new-home market. So there doesn't seem to be any prospect of a sudden upswing in the number of oil heat installations to be sold, fueled and serviced in the new-home market.

Based on heating oil jobber estimates that oil heat has about 30% of the new-home market, annual construction of a million single-family homes would give oil heat 300,000 new-home installations a year.

But it could be as low as 200,000. American Gas Assn.'s market researchers say gas heat now has 80% of the new-home market. (AGA adds that this is only an estimate based on reports from its utility members.)

Latest Bureau of Labor statistics cover the first

How Household Formations Are Changing

(From McGraw-Hill Economics Dept. Survey)

(In thousands—add 000)

Household Age Group	Annual Rate of Increase—1955-59	Annual Rate of Increase—1960-64	Total 1964	Per cent of Total Increase 1955-59	Per cent of Total Increase 1960-64
19-29	60	290	1,450	6.7	34.1
30-44	140	000	700	15.6	0.0
45-64	500	360	1,800	55.5	42.4
65-plus	200	200	1,000	22.2	23.5
All households	900	850	4,250	100.0	100.0

► Indicated 4,250,000 household formations by 1964 is 250,000 fewer than total at the end of 1959

(Begins on page 151)

quarter of 1956; those show gas heat going into 72% of the new homes. "We know we've increased our share since then," AGA says.

Oil heat's share of the million single-family units could go even lower than 200,000 if the trend to gas heat continues to grow.

The trend to smaller, cheaper houses outlined in the McGraw-Hill survey gives oil heat equipment makers and heating oil jobbers little comfort.

As houses become smaller and less expensive, there's less chance for oil heat. Experienced oil men say builders favor the least expensive equipment. Since gas heating equipment is cheaper than oil equipment to start with, and since utilities give subsidies and other inducements to builders to install gas heat, jobbers who sell oil heating equipment aren't too hopeful of increasing their share of the market in smaller, cheaper houses.

Why The Trend To Small Houses

The McGraw-Hill survey says willingness and ability to pay for bigger houses may decrease in the years ahead, as the percentage of middle-aged workers declines and the proportion and number of young wage-earners increases.

"If average income per household is 15% higher in 1965 than in 1957 in real terms," says the report, "this might mean that a family with a wage earner 25 years old might be able to afford a house as good as is occupied on the average today by a wage earner something over 30 years old. But it does not follow that the young family will want as big a house in 1965 as the older family wants today.

"The interesting growth is the use of mobile houses as permanent homes—from under 50,000 in 1950 to over 115,000 by 1957—and the renewed interest in apartment houses—102,000 units in 1950 and about 175,000 for 1958. This suggests that young families of the future may want small houses for a few years.

"The young working wife may prefer to work until at least the first and possibly the second child comes. She may prefer to have more time to spend outside the home or to spend free of household work. By the time the second child arrives the young family may well expect as big a house as is expected by a comparable young family of today."

But the report adds that willingness to pay for a larger house may be lacking. Housing expenditures, like those for other durable goods, can be postponed. By that time, the report says, people may be more interested in weekend vacation trips, have weekend camps, boats, or trailers to de-emphasize living centered about the home.

The McGraw-Hill report adds that deaths are often overlooked in analyzing markets. Each death doesn't mean a household is to be broken, but cumulative deaths do eliminate a certain number, as survivors sell their homes to younger families and then move into smaller homes or apartments.

What About

▶ GAS counts on adding about 1.3-million home accounts a year until 1970. That would give it 33.7-million residential accounts

▶ ELECTRICITY sees 3-million all-electric homes by 1965, two years ahead of earlier estimates

HEATING OIL MEN can expect no letup in the fight for the home heating dollar. Competition is going to get rougher in the years ahead.

Gas isn't going to slow down. It has an ambitious blueprint that spells out exactly where it intends to be each year from now until 1970.

And as gas reaches out for new customers in existing or new markets, the industry is bound to up its advertising and promotion kitty. Currently—through American Gas Assn.—it is spending about $2-million a year, plus what individual utilities spend.

Electric heat will also become an increasing factor in the home comfort market. Electric utilities will be talking up the fact that electricity can do many more things around the house than any other fuel. They've already started through "Live Better Electrically" campaigns, Housepower and Adequate Wiring campaigns, and through Gold Medallion Home programs, featuring homes that have at least three major electrical appliances in addition to an electric range.

▶ WHAT GAS PLANS

AGA says the industry had 17.9-million residential gas heat accounts—central and space heaters—on its lines at the end of 1957. They expect to add 1.15-million new users to the lines during this heating season, 1.27-million during the next heating season and 1.26-million in the 1960-1961 season. That would give gas a total of 21.58-million residential gas heat users by mid-1961.

For a long-range view, AGA switches the talk to residential heating and cooling, although it admits gas cooling, while growing, will be a small part of the total. By 1965 it counts on having 27.1-million homes heated and cooled by gas; by 1970, 33.7-million homes.

By 1965 gas expects to have 32.2% more resi-

Those Competing Fuels?

AN NPN EXCLUSIVE ROUNDUP

dential heating and cooling accounts than in 1960.

By 1970, gas expects to have 64.2% more residential heating and cooling accounts than in 1960.

And gas figures it will grow in the number of accounts added to commercial service and to industrial and other service. It estimates a 35% gain in commercial accounts between 1960 and 1970 and a 77.7% boost in industrial and other accounts in the same decade.

Gas expects therm use to be up sharply in the decade 1960-70. Residential heating and cooling accounts are expected to use 89.4% more therms in 1970 than in 1960. Commercial account use is expected to increase 94.2%. Industrial and other account use is expected to increase 60.3%.

Revenue, over the same period, is expected to be up even more. Residential heating and cooling revenue is expected to be up 95.1% by 1970. Commercial revenue is expected to be up 125.4%. Industrial and other revenue will be up 123.9%.

To serve this growing residential, commercial and industrial market, the gas industry figures it will need to build 257,000 miles of new gas mains between 1960 and 1970. In the distribution end, that means the industry would average a little over 14,000 miles of lines a year. Field and gathering line mileage would go up 52.4% and transmission lines would increase 47.7%.

► THE PITCH FOR GAS

While AGA is the central advertising and promotion arm for the entire gas industry, it talks more about gas appliances than gas heat in its national advertising. You look hard and long at Playhouse 90 before you even get the scent of any gas heat advertising. There are several reasons:

- Gas admits it's not competitive with other fuels in all markets; it limits gas heat advertising to the areas where it does have a competitive price advantage. Even then most of the advertising is done by utilities, not by AGA directly.
- AGA believes gas heat doesn't have to be "sold" to the public; that the public has already accepted gas heat because they see builders putting it in new homes.
- Gas for heating is in short supply in some areas, but there's enough for an appliance load. AGA builds appliance sales to get people used to gas, to soften them up for conversion to gas heat when gas-short areas receive adequate supplies.

Many in the oil industry agree that the U. S. Supreme Court decision in the Memphis case (NPN—Jan., p75) will expand pipelines so that new markets can be tapped and gas-short markets can be adequately served.

It's possible that you will see more national gas heating promotion in the future. It won't be strictly for gas heat but will plug the industry's new concept, the Multimatic Wall.

The wall is actually one compact, colorful, streamlined unit about 10 ft. long, containing (1) built-in broiler oven, (2) five-burner range, (3) refrigerator, (4) clothes washer, (5) clothes dryer, (6) hot-water heater, *and* (7) warm-air furnace. All the home's utility requirements, as far as gas companies are concerned, are located on one wall of the kitchen. You can expect builders to exploit this unit to get maximum impact on the female members of home-buying teams.

► ELECTRIC HEAT'S PLANS

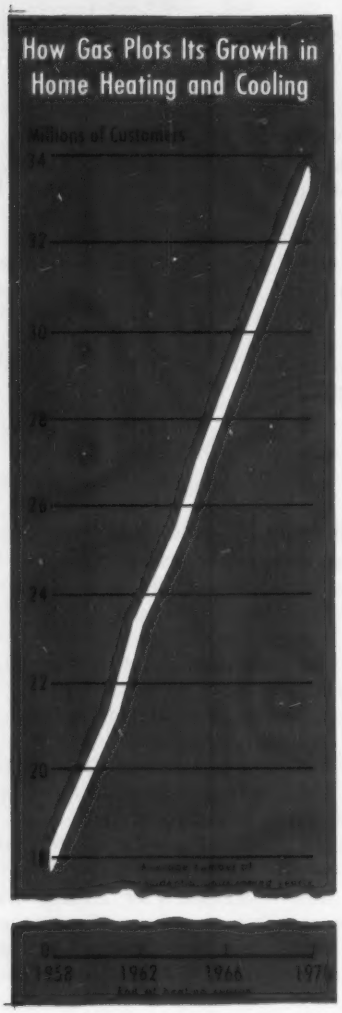
As electric heat moves up to 1-million all-electric homes by next year, 3-million by 1965, and continues the sale of portable small-room space heaters, oil men can count on seeing more electric heat jobs in areas above the 4,000 degree-day belt (north of the Mason-Dixon line). Here's the evidence:

- **In New England,** with about 250 electrically heated homes, Western Massachusetts Electric has been on the electric heat bandwagon for 14 months, selling more than its first-year quota of 50 jobs. Connecticut Light & Power and Hartford Electric are pushing electric heat as an auxiliary heating method.
- **In New York,** Niagara-Mohawk and Rochester Gas & Electric Co. are behind electric heat.
- **In New Jersey,** Atlantic City Electric has more than 1,500 electric heat accounts. The merged Jersey Central Power and New Jersey Power & Light are getting interested in electric heat. And Public Service, with well over 300,000 gas heat users, is beginning to plug electric heat for those hard-to-heat rooms, for playrooms, for spare rooms.
- **Further South,** Potomac Electric Power, Potomac Edison, Virginia Electric & Power, and Carolina Power & Light have the electric heat bug.
- **From East to Midwest,** six operating companies of American Electric Power Co. sell electric heat in parts of Virginia, West Virginia, Kentucky, Tennessee, Ohio, Indiana and Michigan.
- **Detroit, Chicago, St. Louis, and Pittsburgh** utilities are other additions to the list.
- **Pacific Northwest** utilities and public utility districts can also be added.

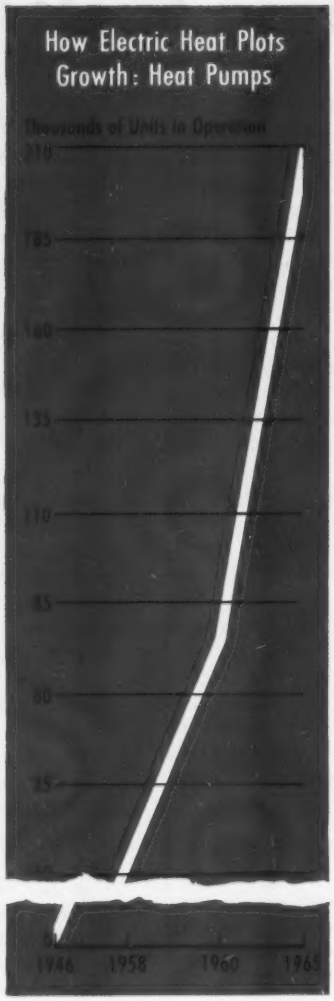
Electric heat is no longer the "Southern" way to heat a home, because the electric heat concept is no longer tied to the central heat pump; many forms of resistance heating make electric heat saleable in the colder areas.

While it is true that oil heat installations now outnumber electric heat about 9-1, electric heat will grow fast.

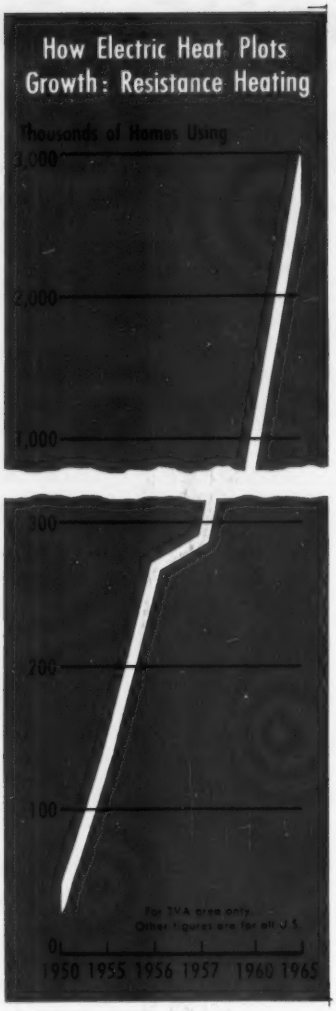
"Within 10 years," says a Westinghouse Electric



Gas industry's goal is 33.7-million homes gas heated and cooled by 1970



Electrical utilities see 210-million central heat pump units by 1965 . . .



. . . And expect to number 3-million all-electric homes by the same year

(Begins on page 152)

vice president, "we will see more new homes heated electrically each year than with all other heating devices combined. This is not a guess; it is based on trends we can project with considerable certainty."

This spokesman insists the 10-year goal can come true in half the time if electric utilities get on the ball.

An equipment maker makes this prediction: "Central heating systems using ducts or pipes to distribute heat are destined for discontinuance in the future. Such a concept is an old-fashioned as the overhead line shafts that are being replaced in all modern factories."

► ELECTRIC HEAT COSTS

Admittedly, electric rates will have to come down to make electric heat more acceptable. Today, electric heat rates range from 7 mills to 2½¢ per kwhr., with most of it sold at 1½¢ per kwhr. But don't wait for the rates to come down to oil heat costs on a Btu basis.

Electric heat promoters admit their fuel, on a Btu basis, is expensive. But they say true heating costs go beyond fuel costs, that first costs and "hidden" costs of installing and operating flame-fired central systems should be considered. They are convinced that Americans will pay for a "luxury" fuel because it means greater convenience, comfort, safety and labor saving.

You can expect to hear more from electric utilities as they sell the concept of all-electric living. But utilities will have other reasons for pushing electric heat. Here are a few of them;

• **They will need a winter load to balance the summer air conditioning peak.** Utilities used to wait until the summer peak developed before

thinking about electric heat. Now many of them are training salesmen and installers to handle electric heat while the summer peak is abuilding. When it exceeds the winter load, utilities are ready to move into the electric heat market; they are not just getting around to thinking about it.

- **It means added revenues.** Indiana & Michigan Electric Co., part of American Electric Power Co.'s system with only 1.5% electric heat saturation, says electric heat provides as much as 5½% of total residential revenues, a market that was untapped by the company five years ago. And the parent company says its more than 10,000 electric heat users in 1957 added close to $2.5-million in gross revenues.

- **It's a better way of selling electric appliances.** "The days of single-appliance promotion will soon be out-dated," says Detroit Edison Co. The theory is to sell electric heat and automatically pick up the other electrical appliances. One utility figures it can sell 1,000 electrically heated installations and come up with net earnings that could only be equalled if it sold 18,000 electric ranges and 8,000 water heaters.

- **Residential loads in some areas have hit a ceiling and are flattening out.** The utilities say something is needed to kick the load upward again.

- **To meet competition.** Many of the single-utility electric companies are located in natural gas areas. They're beginning to see how much growth they'll lose if they don't become active in promoting electric heat.

Electric heat isn't going to be exclusive and settle for the home heating market; it wants commercial and industrial accounts, too.

Outside of homes, you can expect schools to be a good target for electric heat sales promotion talk. Motels, churches, theatres, auditoriums, stores are also on the list.

Detroit Edison says two new schools in its area are electrically heated. "An extra classroom was built with the space saved, construction costs were less, and 30-year operating cost estimates show electric heat about comparable with oil." As these schools went to electric heat, the utility says 20 architects asked about electric heat for buildings they were designing.

American Electric Power says its 38 schools that are heated by electricity are a good sales promotion. "When these thousands of children graduate and set up their own homes, electric heat will be no novelty to them because they lived with it during school years. This should help in furthering acceptance of home electric heat."

► ELECTRIC HEAT'S PITCH

Electric heat promotion is already big business, and when it gets rolling more, it could make the money AGA spends for gas look like peanuts. Over 100 electric utilities are already spending about $4-million a year in local promotion of the Gold Medallion Home idea, with millions more going into a national program.

Electric heat promotion will be backed by more than local electric utilities and their association, Edison Electric Institute. It will include National Electric Mfrs. Assn., National Assn. of Electrical Distributors, National Electrical Contractors Assn., National Mineral Wool Assn. and United Mine Workers, all of which have vested interests in the growth of electric heat.

All told, an all-electric home with electric heat will use $500 worth of wiring services and equipment vs. $160 for the average home; $300 in lighting vs. $50 for the average home; and $5,200 worth of electric appliances.

Easy Sale — Selling electric-heated homes shouldn't be hard. Higher-priced houses can have a heat pump with its heating and cooling feature. Lower-priced houses can be equipped with resistance-type electric heat offering the same type of heat as more expensive houses. Here's how a Ft. Wayne, Ind., builder looks at the appeal of an electrically heated house:

"Ladies like it because it doesn't raise the selling price. It gives the luxury of even heat, with a thermostat in every room, something they could not afford in most conventional heating systems. It eliminates many objections found in other systems: noise, combustion, odors, the possibility of explosion or asphyxiation. They have no decorating problems, no holes in the floors or walls for registers.

"Men like it because of the low-maintenance feature: no motors to oil, no filter or fan belt to check or change, no furnace to repair or clean, no chimney representing a possible fire hazard. It is the closest approach to maintenance-free heating.

"Builders like it. It saves about 15 sq. ft. of floor space, a saving of $200. Planning is more flexible, since the location of furnace, chimney, registers and plenum is eliminated. It eliminates one sub-contractor since the electrician can do both heat and electric light wiring. It eliminates one utility bill, one meter reader or one oil tank.

Electric heat installation costs are comparable to a warm-air system and generally less than a hot-water plant. In addition to space saved by eliminating the furnace, we save approximately $30 for a door covering the furnace room, $20 for soundproofing the furnace room, $100 in slab ducts, $125 for a buried oil tank, and usually $200 to give the heating and electric light wiring contracts to the same contractor. The additional costs for electric heat are approximately $80 for additional ceiling costs, $65 for additional insulation and $160 for storm windows."

All this moves one heating oil jobber to say, "Ten years from now oil and gas men will be in the same trade association, fighting electric heat."

Another jobber puts it this way: "I'm not scared of gas; I've lived with it long enough to know what it can do. But electric heat scares the hell out of

How to Make Oil Heat Better

It's time for the labs to get the lead out, oil heat men say. We urgently need a better burner – as well as dozens of other improvements. Here's a roundup

OIL HEAT'S big need can be spelled out in a word—research. And plenty of it.

The industry, through American Petroleum Institute, is already starting to check what research has been going on; how much more is needed; what direction it should take, and how best to coordinate the work of many labs to cut duplication and save time and money.

Oil men have plenty of projects lined up for the labs. Some would like to zero in on long-range projects. Others feel the immediate need is for short-range projects "to protect the market we now have."

The question of where to start isn't easy to answer. But one trade association man says, "They can start by getting the lead out of their pants; they've had it too easy too long."

For The Long Look Ahead

"Get the price of oil units down close to that of gas equipment," says one oil man. That would give oil heat a better break in the price-conscious builder market. Today a complete oil job runs 2 to 2½ times the cost of gas.

Research into reducing price — not quality — could lead to new types of motors, stack relays, simplified controls, even to a new ignition system. "We may have to change the way we burn oil," says a forward-thinking oil man. "We atomize it now but perhaps a glow coil could be used." That would mean preheating oil. "If we do that, we can burn oil as a gas," says another oil man.

"Let's do something about a burner's high-voltage electrical system," suggests another. "With its 10,000 volts now, it's a weak link. A leak anywhere affects the burner's ability to ignite and burn oil properly." Poor ignition leads to carbon, high consumption, clogged nozzles, service calls.

Some think stack temperatures should be tackled. "Get them down to below 550 degrees so oil can use the same chimney as gas—even to the type-B gas vent—or do without chimneys."

Others would like to see home storage tanks go, especially in new-home projects. "Why can't we put in a central tank, pipe oil to all the homes, and bill the accounts on meter readings?" It would cut delivery costs and could improve burner service by cutting down on complaints and costs. "The meter reader could be trained to check burners for proper operation."

One oil man suggests the free-piston engine fueled by No. 2 oil. "Hook in a generator, and a home could get all the electricity it needs for cooking, heating, cooling and many other uses at about 0.5¢ per kwhr. It would cost no more than a heat pump." Temperatures would be in the 1,000-degree range, so turbine blades wouldn't need high-cost special alloys.

Research could lead to smaller units, which could be set up anywhere. "We could eliminate the need for a cellar for heating equipment and bring the cost of houses down."

Make full use of the Btu's in a gallon of oil, say oil men. "We can make a big jump in absorption efficiency by researching combustion chamber design and by sizing equipment properly to the house it's to heat."

What to Do Now

Boosting the efficiency of present units stands high on the do-it-now list. That means better installations, better-trained burner men. "The Oil-Heat Institute's B-58 code is a step in the right direction," says one oil-heat man.

More oil men must get into service: "We can't have oil men telling accounts to go elsewhere for service. This divided responsibility, with the customer in the middle, has got to stop."

That brings up the question of how to train burner men. "The best way would be to have two men, one top-notch, on every job. The experienced man could supervise the other's work. But this isn't practical, so the next best thing is to have your men attend good burner service schools."

You won't do away with burner men entirely. "No equipment is foolproof and you'll need men just for checking and adjusting. But eventually cleaning will be out because of better combustion."

Another man sees oil heat's path made easier by "a low-cost, all-inclusive service policy without any ifs, ands, or buts." An improved burner, with few controls to go out of whack, could make such policies possible.

"Pay more attention to customer relations," says a jobber. "Don't keep callers waiting at the switchboard, or for the dispatcher. Don't keep them waiting for the service man. And the service man should know how to talk correctly, do his work properly and clean up when he's finished. We should check these service calls a week later to see if the account is satisfied."

Adds another jobber, "We should have one flat price for the season. Changes as much as 2¢ gal. in a season upset a lot of customers. They know the price of gas doesn't change." ■

How Much Traffic Passes Up Your Stations to Stop at Others that Sell WIX?

Just a few years ago three or four oil filter cartridges were all a dealer needed to cover the market. Today the picture has changed and service stations are plagued with large unbalanced stocks, the guesswork of finding the right cartridge, plus lost time and sales.

WIX anticipated this problem and developed WIX-O-MATIC—the one straightforward selling system that's tailored to fit today's service needs. WIX-O-MATIC is not a deal—not an assortment—it provides automatic stock control, instant cartridge selection, and a complete guarantee against obsolescence. Here's a down-to-earth merchandising principle based upon the experience of each individual station and what its customers buy! No extras, no dead numbers, no overloading. WIX-O-MATIC gives your stations selling efficiency with maximum sales action and profit. Ask us to show you how you can have this modern marketing advantage at no cost to you or your dealers.

wix® FILTERS

The WIX-O-MATIC Floor Cabinet shown handles a stock of 54 Cartridges—always balanced—always fresh. There is also a WIX-O-MATIC Wall Rack . . . a big space-saver for stocks up to 30 Cartridges. Write for particulars on how you can get WIX-O-MATIC at no cost to you.

WIX CORPORATION
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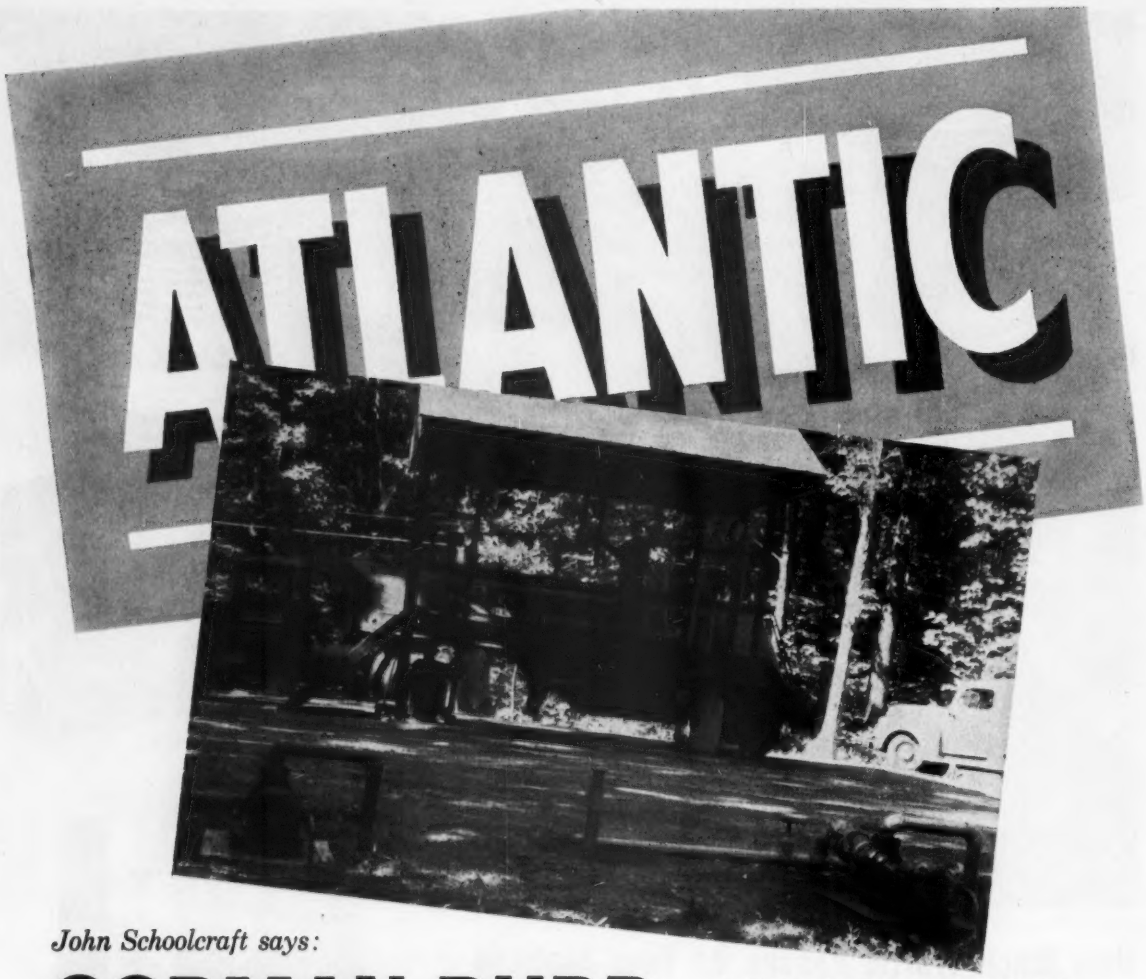


John Schoolcraft says:

GORMAN-RUPP

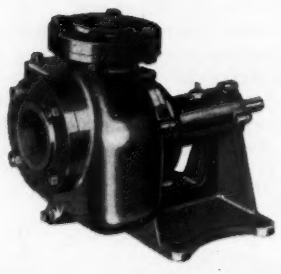
helps keep our trucks on the go!

Autocraft Sales Corporation, pioneer petroleum distributor, has several "firsts" to its credit, not the least being the first to sell Ethyl gasoline through a service station in New York State. Now a progressive distributor of Atlantic products in Schenectady, this firm has recently expanded its operations with a new branch bulk plant.

Says Mr. John L. Schoolcraft, Jr., Vice President and General Manager, "We chose Gorman-Rupp Pumps for their simplicity, ruggedness and for the fine service rendered by the Gorman-Rupp Dealer. They have lived up completely to our expectations, with no repairs needed in more than two years operation. Pumps are of key importance to us. These give our trucks the fast turn-around that spells efficiency."

Ask your Gorman-Rupp Distributor about the exclusive features of "O" Series Pumps. Safer—no check valve, and thus freedom from dangerous, high pressures from confined, heat-expanded liquids. More efficient—straight-in suction removes entrance restrictions, increases priming lift.

Installation details: Two Gorman-Rupp 03C-B Self-Priming Centrifugal Pumps serve three 20,000 gallon under-ground tanks. Maximum lift, 16 feet. Two #2 fuel oil tanks are manifolded. Second pump handles kerosene. 3" air eliminators, strainers, meters and loading assemblies.



THE GORMAN-RUPP COMPANY

305 Bowman Street, Mansfield, Ohio

50 ANNIVERSARY 1909 1959

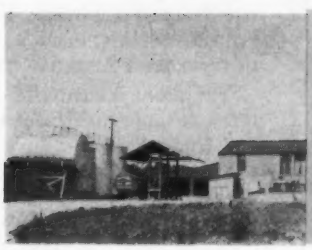
What's Ahead for DISTRIBUTION

◄ By Gen. E. C. R. Lasher, president and chief executive officer, North American Car Corp. ..... page 160

◄ By C. Austin Sutherland, managing director, National Tank Truck Carriers, Inc. page 162

◄ By Ralph F. Clark, vice president and genral manager, National Marine Service, Inc. page 161

◄ By Gordon C. Locke, general counsel of the Committee for Oil Pipelines .. page 163



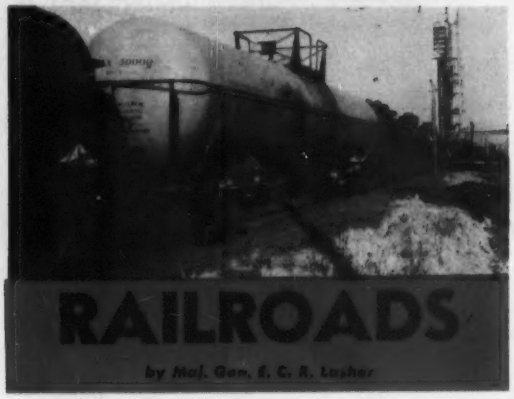
◄ Are they passing out of the picture? A special survey explains an important trend ..... page 164

TOMORROW'S DISTRIBUTION will differ from today's in speed, efficiency and volume. But the four basic forms of oil product transportation are so strongly entrenched that their future is assured as long as they keep pace with technological progress. On the following pages, an expert from each area of transportation tells you the outlook in his field.

On page 164, a special survey takes a look at future trends in distribution patterns—and finds today's basic systems firmly entrenched there, too.

Please turn the page ►

(Begins on page 159)



THE path of "progress" takes some strange twists. Often we struggle out of primitive concepts into a briar patch of technical knowledge . . . take years cutting our way through one thorny problem after another . . . only to burst free on the other side to proclaim our discovery of — guess what?—the same primitive concepts!

This certainly has been true of the freight-carrying industries. For years we have worked up more and more complicated carriers to handle every conceivable type of product. Now we are on the brink of a new era of integrated transportation and uniform containers. And what do we see waiting for us? A bag and a box!

Some simple modification of the lowly box undoubtedly will be adopted in the future to move most non-fluid cargoes. These boxes will be of standard shapes and sizes, making them suitable for movement on any and all types of carriers. Thus will we take a long step toward achieving fully integrated transportation systems.

This integration, I believe, is inevitable because of the demand of the customer—the man whose service requirements must be met, the man who pays the bill. As we see it grow, we will find the "lowly box" acting as a common denominator.

To some extent, a similar role may be played by the "lowly bag" in that part of the industry dealing with bulk flowing cargoes such as petroleum and petrochemicals. Certainly a large part of the future lies with the bag. Experiments are now under way to develop plastic bags suitable for transporting liquids across oceans, up rivers behind barges, over highways on trucks, and over the rails.

As these uniform containers become practical, the advantages to shippers will be great indeed. They will make it possible for a shipper to send his goods to any part of the world on a single bill of lading, over the fastest, most economical routes, regardless of the type of transportation involved.

MAJ. GEN. E. C. R. LASHER

. . . has been president and chief executive officer of North American Car Corp., Chicago, since his retirement from the army a year ago. A West Point graduate (1929), Gen. Lasher has been continuously concerned with military transportation since 1934. During the Korean war he commanded all transport in Korea.

Both the bag and the box will furnish their own storage along the way and at the terminal points, at reasonable cost.

The bag could be shipped on low-sided flat cars or flat-bed trailers. It would be interchangeable from river tow to flat car or truck and would eliminate the need for a great deal of expensive and complicated equipment.

There are some limitations on the bag which do not appear to affect the future of the box. Except for trans-ocean shipments, the bag will probably be more useful in smaller shipments of petroleum and specialized chemicals.

The bag is not the only new development in our field. Just as ocean-going tankers are getting bigger, so are the railroad tank cars. Standard tank cars, till now, have run from 4,000-12,000 gal. capacity. Now a super tank car of 20,000 gal. capacity is available. The size, in and of itself, is not as significant as the economy. A 20,000-gal. load can be moved over the rails considerably cheaper than two 10,000-gal. loads. The amount of the saving will vary depending on the cargo.

The trend is definitely toward bigger tank cars, within the limitations of present railroad facilities. The cars can go to an extreme width of 10 feet 8 inches and a height of 15 feet 1 inch, without exceeding present safety specifications.

At the present time, we can build an uninsulated tank with a width of 104 inches or an insulated tank with a width of 94 inches.

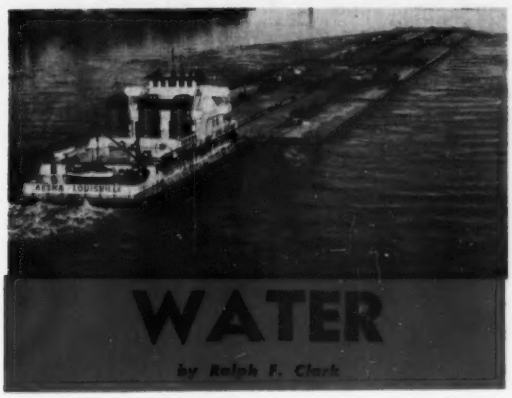
The big tank cars will have the most modern equipment. They will be domeless, strengthening the central structure; many will have roller bearings; all of them must have 100-ton trucks.

The more refined and expensive a product, the more economical it becomes to move by tank car and truck. The pipeline has taken over the movement of much of the nation's petroleum, but there are still many petroleum products which cannot be moved by pipe. It is to serve the petroleum industry's need in these areas that the transportation industry is continually developing better methods of movement and handling.

Tradition is not always a guide in meeting new transportation problems. In addition to the plastic bags discussed above, there are some rather exotic new devices in operation in the world today, some of which may become generally useful. For example, there is a plastic cylinder filled with petroleum which can be hooked up behind a tractor and towed broadside over sand, muskeg, ice and snow. The distribution of weight prevents it from sinking through soft surfaces. It is being used in such places as Canada, Greenland and Arabia. It is conceivable that this device might become practical for cheap transportation over ordinary roads.

I believe many of us will live to see the time

when many types of railroad cars in use today will be on their way to the boneyard. Trucks, too, will change, but the greater financial burden will be on the railroads as large amounts of rolling stock are replaced. For this reason, it is certainly not going to be an overnight face-lifting—but the trend is here and it will continue.



THE recession brought some problems to the water transportation industry—but nothing to alter the fact that the future spells progress for this business.

In the space of ten years since I joined National Marine Service (formerly Lake Tankers Corp.), I have seen our own business double. The record of our industry compared to other competitive forms of transportation is well known.

I see no reason why our company and others in the industry won't see another doubling of business in the next ten years.

There are some problems. Every industry has them. But the natural advantages of water transportation insure that if we are not held back by unnatural restrictions—such as unfair governmental regulations—progress will be phenomenal.

Recent years have seen trends toward larger towboats, bigger barges and more specialization. These will continue.

The coming of the big barge tow and demand for the specially built containerized barge do not mean the end for the small operator. In fact, as more special-purpose barges are built, more shipper outlets will develop—meaning more business for small operators, too.

However, competition within the river transportation industry will become keener. I think the long-range effects of this will be good. There are still too many businessmen unfamiliar with what our industry can do. Too many still think of river transportation as something out of the old steamboat days.

RALPH F. CLARK

. . . is vice president and general manager of National Marine Service, Inc. (formerly Lake Tankers Corp.), Hartford, Ill. Now 42, he has been a river deck officer and towboat master. National Marine Service boasts the largest geographical marine service coverage in the country. In volume, it is a major hauler.

Here's how the big trends will affect water transportation:

- Development of better special-purpose barges will step up shipment of speical petrochemical products and acids.
- Better-designed barges—with separate small containers for special chemicals—will induce more companies that ship in small amounts to use water transportation.
- The super-towboats will gain in use—particularly on the lower Mississippi. However, real efficiency of this equipment cannot be achieved without some major improvements in navigational facilities. At the present time, during periods of low water, tows must wait in line to pass each other. Only efficient use of radio and radar has averted serious problems.

A number of improvements in navigational facilities are needed. Here are at least four big ones:

1. A series of twin locks are needed on the Illinois River. The present system is at capacity, but business on the Illinois keeps increasing.
2. A new dam at the Chain of Rocks below the Alton Locks is needed to help stabilize water conditions there. Presently many barges must be lightened to negotiate the locks.
3. New locks are needed for the Ohio River. This program is now underway.
4. Improvements are needed in some smaller harbor areas and in the N. Y. State Barge Canal.

With the trend toward containerization opening up new sources of business to small shippers, dock facilities also must be improved. This is particularly true in the handling of acids and package freight.

In my opinion, agreements must be obtained to permit boat crews to unload containers at river docks on arrival. This will facilitate quick night unloading. At the present time longshoremen must handle loading and unloading. This simple change would sharply boost use of small-container river freight, and give longshoremen far more work than the amount they would lose by permitting boat crews to unload during night arrivals.

The river transportation industry probably will handle smaller percentages of gasoline and light fuel oils than in the past, due chiefly to increased pipeline competition. However, as the population increases and more gasoline is used, barges will share in the terminal haulings.

We have lost some light fuel oil haulings to the Chicago area to pipelines. However, this business has been more than replaced by increased tonnage of asphalt and heavy burning oils not moved by pipelines.

The biggest development in recent years for the

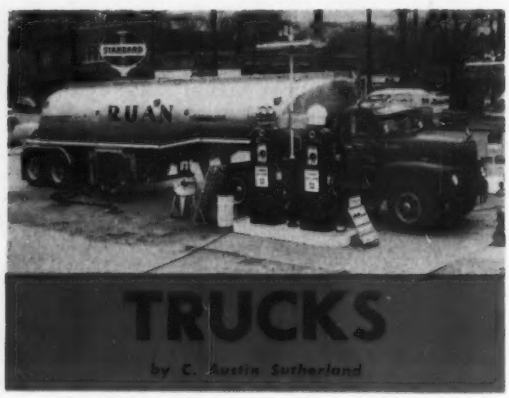
(Begins on page 159)

water transportation industry has been a big movement of industry to areas providing good water sites. This has been of tremendous benefit to the Midwest—the Mississippi and Ohio areas. This trend will continue and augurs well for the stability and continued growth of the newer barge lines, as well as competing methods of transportation.

However, cheap water supply has become a real problem for many areas. In fact, in my opinion, development of adequate water resources is one of the major problems facing this nation today.

A real National Transportation Policy must also be developed in this country. I believe that we must have healthy railroads. However, the present policy of many railroads of constantly raising rates to areas where there is no competition, and lowering them in competitive areas far below costs, is not only unsound business but contrary to the welfare of those areas suffering unreasonably high rates.

There is no reason why competing forms of transportation cannot work out their problems to their own mutual benefit, as well as the benefit of the general public whose welfare we exist to serve.



AN ESTIMATE of the future of tank truck transportation cannot help but be optimistic, following the rapid expansion of the past 20 years. During this period there has been an indicated increase of over 250% in all truck tonnage. Tonnages in 1958 ran above those of comparable periods in 1957. During the period 1951 through 1958, tonnage moved by tank truck carriers has doubled. There is no evidence to indicate that this increase will not continue.

This advance has been made on a broad front, over a wide range of products. For example, the movement of liquefied-petroleum gases by tank truck increased from 1.5-million tons in 1952 to 3-million tons in 1956. In the latter year, for the first time, tank truck tonnage of LPG exceeded that of the railroads.

While some of this increase results from the expanding economy, a major cause is a shift to tank motor vehicles from other modes of transportation. Current figures show tank trucks are originating twice as much tonnage of large-movement oil products as the railroads.

How is the future increase in traffic going to be handled? There are several approaches available—including more trucks, larger trucks, more versatile trucks, faster trucks, and operating trucks more hours per day. All these methods have been and will be used.

The least economic means of expanding capacity is to add more trucks, since this entails more capital investment and increased drivers. There is no doubt, however, that the size of the tank truck fleet will increase. At the same time, it will be kept efficient through replacement of obsolescent equipment.

The for-hire tank trailer fleet used in flammable liquids service increased from 15,437 in 1955 to 21,305 in 1957. It is problematical whether expansion will continue at that rate (20% per year), since carriers are making every effort to expand capacity without expanding the actual number of vehicles.

One method of doing that is to expand the size of the vehicle. The average for-hire tank trailer increased from 6,140 gal. to 6,269 gal. between 1955 and 1957. A number of semitrailers of over 10,000 gal. capacity are being operated today. The tendency is to increase capacity up to legal limits.

While there has been liberalization of many state laws, this avenue of greater economy seems to be closing. The engineers and economists seem to think that 73,280 lbs. gross is the magic number. The Interstate Federal Highway Act restricts Federal grants to states which increase their weight limits above that figure, if such states did not already permit heavier weights when the Act was passed. Under such a penalty provision, it is highly unlikely that any state not now having more liberal weight laws will go beyond that figure.

However, the tendency will certainly be to raise weight limits until that figure is reached. In some states this will be an increase of about 20,000 lbs. In other states, it will be almost negligible. There is a possibility of heavier loads on turnpikes, for even at present there is experimentation with weights of over 115,000 lbs. when operating on turnpikes only.

An increase in capacity with no increase in total vehicle weight is possible, of course. This has been one reason for the recent rapid trend toward use of aluminum. It is estimated that five years from now all tank truck production will be 60%-75% aluminum. If only general-purpose tanks are considered,

C. AUSTIN SUTHERLAND

. . . is managing director of National Tank Truck Carriers, Inc., an association he helped found. A native Nebraskan, Sutherland worked for a number of years with tank truck companies. He publishes *Petroleum and Chemical Transporter*. Now 52, he served in the Office of Defense Transportation from 1942-45.

it would appear that for gasoline and oil aluminum will be the only material.

The use of highly desirable but extremely expensive materials like titanium does not appear practicable in the next five years. Plastics do not appear to be in the immediate future for oil transportation because of higher cost and low melting points. Advantages of plastics from the anti-corrosion standpoint are much to be desired, but their immediate future appears to be in the chemical transportation field.

Increased utilization of a vehicle is equivalent to increasing the size of a fleet. The following techniques of design allow a carrier to use a tank for more commodities and have less downtime for cleaning: (1) Use of materials like aluminum, stainless steels, and lining materials, because of reduced corrosion and contamination; (2) Use of so-called "clean-bore" or baffleless tanks, because they permit sanitary construction, are adaptable to lining, and are much more readily cleaned; (3) Use of larger compartments and increased capacities of outlets, pumps, and manifolds, reducing weight and unloading time.

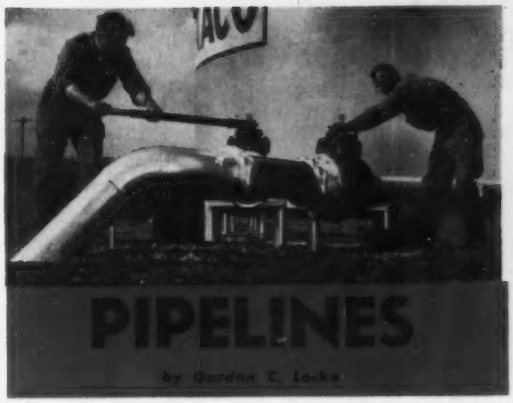
Refinements of operating techniques also result in increased utilization. Better scheduling, more systematic planning, and better communications between terminals will reduce empty mileage.

A fundamental difficulty of tank truck operations, from the standpoint of efficiency, has been the limitation on loading and unloading hours. Expansion of the "key-stop" system will permit carriers to operate much more efficiently with corresponding advantages to shippers. This system—which permits the tank truck driver to load and unload his vehicle with no shipper or consignee personnel present—in its ultimate form will permit 24-hour-a-day, 365-day-per-year operation of a vehicle. This goal has already been reached successfully in several operations, and is such a reasonable and efficient method of operation that it will expand rapidly. The principal deterrent has been some scepticism as to the ability of tank truck carrier personnel to perform this type of operation.

Rapid improvement in the nation's highway system will mean less time wasted in traffic congestion and much higher average speeds. Better and more powerful tractors will help operators take full advantage of the improved highways, with an even better safety record.

What kind of equipment is coming, say in 1964? The engineers' guesstimates include continued growth toward pumping-off flammable liquids at rates of 1200 gpm or better; 6-inch unloading lines and valves; single-compartment semitrailers of over 10,000 gal. capacity; air suspensions and brakes automatically compensated for load, for safer and easier-on-the-equipment movement.

The trend in tractor development is toward larger equipment. As weights increase, and as daily mileage per vehicle increases, fuel and engine costs are likely to make greater use of diesel power inevitable.



IN THE FUTURE every large consuming city in the United States, it is predicted, will be supplied directly by products pipelines.

The planning of new lines will be an evolutionary process, as in the past, depending on the development of market volume by areas now served by other means of transport. New lines will be built whenever and wherever they may be economically justified.

The pipelines are now in their greatest era of improvement. The progress that has been achieved in pipeline design, construction and operation in recent years gives every indication that expansion will continue in the future.

The phenomenal growth of products pipelines, particularly since the end of World War II, is indicative of the common acceptance of this most efficient, economical and advanced method of transportation.

Although some products pipelines were in existence as far back as 1901, the first lines of any real significance did not come into use until 1930. On Feb. 1, 1930, the Tuscarora Oil Co., Ltd., started moving motor gasolines from Bayway, N. J., to Midland, Pa., a distance of 370 miles.

At about the same time, Phillips Pipe Line Co. began work on a 735-mile gasoline line from its Borger, Tex., refinery to Kansas City and St. Louis. Also in 1930, the Great Lakes Pipeline Co. began construction of a 1,240-mile gasoline line from various Oklahoma and Kansas refineries to consuming areas in the vicinity of Kansas City, Omaha, Des Moines, Minneapolis, St. Paul, and Chicago.

From that year forward, the mileage of products pipelines has increased yearly. According to official figures published by the Bureau of Mines, there

GORDON C. LOCKE

. . . has been general counsel of the Committee for Oil Pipelines since 1955. An All-American football player on the University of Iowa's championship teams of 1921-22, he has been a practicing attorney since 1926. Now 60, Locke served in the Marines in World War I and the Air Force in World War II.

Distribution

(Begins on page 159)

were 250 miles in 1928, 4,600 miles in 1936, 9,001 miles in 1941, 20,881 miles in 1949, and 36,420 miles in 1955, the last year an over-all study was made. However, it is estimated there are now approximately 46,000 miles of such lines located in 44 states and the District of Columbia. The only states not now served are Delaware, New Hampshire, Vermont and Virginia.

Perhaps of more significance than the growth in mileage has been the tremendous increase in the movement of light refined products the past 20 years. In 1938 products pipelines were moving only 234,000 bbl. daily—all gasoline. In 1957 the volume had increased to 2,463,000 bbl. a day.

Future development of products pipelines will keep pace with anticipated increasing demands for refined oils. Pipe sizes will be much larger than in the past, and the larger capacity lines will in all probability be jointly owned by two or more companies to assure maximum operations.

The trend is definitely toward the construction of larger diameter products pipelines. As of Jan. 1, 1953, there were only 1,052 miles of such lines, 14 in. or over, whereas at present there are nearly 4,000 miles in that size range.

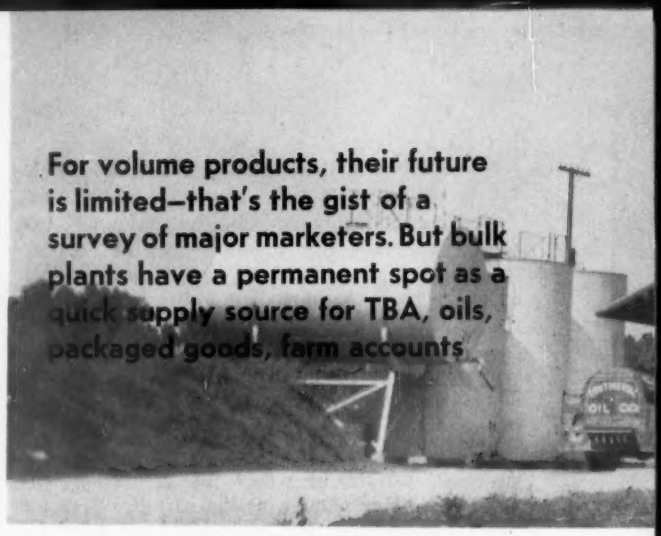
There will be an increased number of pipelines to carry liquefied-petroleum gases exclusively. Some such lines probably will come into existence by converting old crude oil lines. For many years LPG has been "batched" through products pipelines, but only recently have lines for that exclusive service been developed, as in Texas.

Noteworthy in the postwar development of products pipelines has been the expanded use by the military in bringing jet fuels directly to key air bases. Another trend that gives promise of rapid development is the delivery of aviation gasoline and jet fuel direct to principal municipal airports by pipelines.

In the field of pipeline operations, automation is making outstanding strides. By using a combination of radio network and electronic controls, pipelines will become almost automatic. The microwave with the large number of circuits is an important recently developed aid in remotely controlled operations. Present trend in the design of stations is expected to be continued.

Station spacing on the more important large-sized lines will tend to grow increasingly wider. The stations can be expected to become more compact with the development and application of more powerful prime movers. Dispatching practices will benefit through the adoption of electronic analyzing and computing machines that will be able to solve complicated dispatching problems in seconds.

The products pipeline's place in the transportation of light refined products is well established, and movements will continue to grow at a greater relative rate than total consumption, as traffic now handled by more expensive methods is diverted to pipelines.



For volume products, their future is limited—that's the gist of a survey of major marketers. But bulk plants have a permanent spot as a quick supply source for TBA, oils, packaged goods, farm accounts

Are Bulk Plants

BULK PLANTS aren't dying, but they are being de-emphasized. That's one national marketer's answer to a multi-million-dollar question.

Says another major, "We expect to continue to close old bulk plants through consolidation or enlargement of bulk plant territories, in line with centralized distribution operations."

But a third major says "there will always be a place for the bulk plant in the foreseeable future." Many agree with that line of thinking as far as smaller-volume products are concerned. Some say they've reached the limit of bulk plant closings for the present.

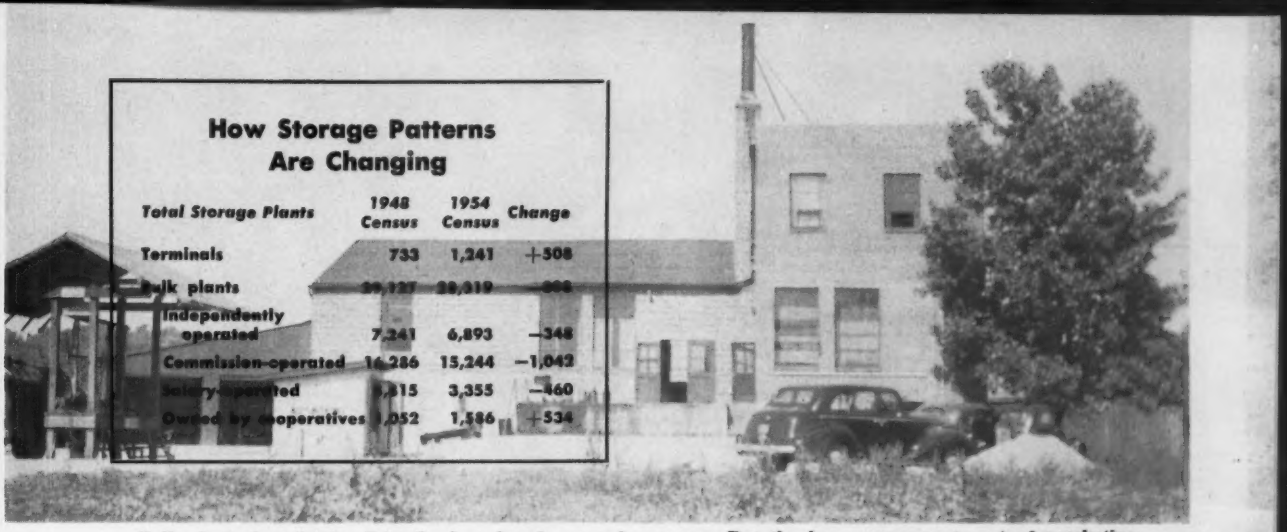
What's Happened to Bulk Plants

Bureau of Census reports give you a clue. The 1954 report shows that about 1,320 bulk plants were shut in a six-year (1948-1954) period.

But there are still more than 27,000 bulk plants in the U. S. (as compared to more than 1,200 terminals). Integrated marketers own over 18,500 of the bulk plants and operate them either on a commission or salary basis. Independent marketers and jobbers can count about 6,900 bulk plants. Cooperatives come close to owning 1,600 bulk plants. It's obvious that despite gains made in direct deliveries from refinery, water or pipeline terminals, there are a sizable number of bulk plants left in the U.S.

Economics plays the leading role in any company's decision to shut one or more bulk plants at any given time. Some of the factors that affect the picture, either singly or in combination, are:

- **Type of representation:** Direct marketing may be more economical from one central point instead of several points.
- **Type of distribution:** New water or pipeline terminals in any market can cause majors or job-



How Storage Patterns Are Changing

Total Storage Plants	1948 Census	1954 Census	Change
Terminals	733	1,241	+508
Bulk plants	29,127	28,819	-308
Independently operated	7,241	6,893	-348
Commission-operated	16,286	15,244	-1,042
Salary-operated	3,815	3,355	-460
Owned by cooperatives	1,052	1,586	+534

Bulk plants lost "stature" in the last decade, may lose more. But they're a permanent part of marketing

Passing Out of the Picture?

bers to swing from bulk plant operation to direct deliveries.

- **Growth of market:** This can lead to the consolidation of bulk plant areas and to the elimination of several bulk plants.

- **Type of product:** A company handling nothing but gasoline for service station deliveries may find it more economical to operate from one central point, thus shutting one or more bulk plants. But a company handling small-gallonage accounts, farm and/or commercial accounts, or other products such as heating oil and kerosine, may find it best to operate through a bulk plant.

It's possible to close down a number of bulk plants and wind up with more plants than you started out with, because of expansion into new markets. One major says that in 1948, when it closed nine plants, it had a total of 486. By 1953, it had closed 16 plants but the total had grown to 496. At the end of 1957, when a total of 31 plants had been closed, it was operating one more plant than it had in 1948.

None of the factors affecting the economic picture would hit all majors and jobbers to the same degree. The impact would depend on any company's share of the market and its area.

Hence, one major reports that in the last 10-15 years it has closed 4½% of its bulk stations, while another says it has shut 13½% of its plants. Some haven't closed any bulk plants in one division but have in others. Majors who have expanded or bought out jobbers have added to their totals.

What will the next Census report on bulk plants show? Probably a further drop in the number of bulk plants, but it's impossible to estimate the number. Marketers don't close bulk plants for the fun of it. They don't know definitely from year to year how many or which plants they will close. "We do it on the basis of a continuing study," says one major, "and as required by changing circumstances."

Why Bulk Plants Will Remain

"It isn't economically feasible to serve small accounts by clipper or transports," says one marketer. "Bulk plants do serve this useful function."

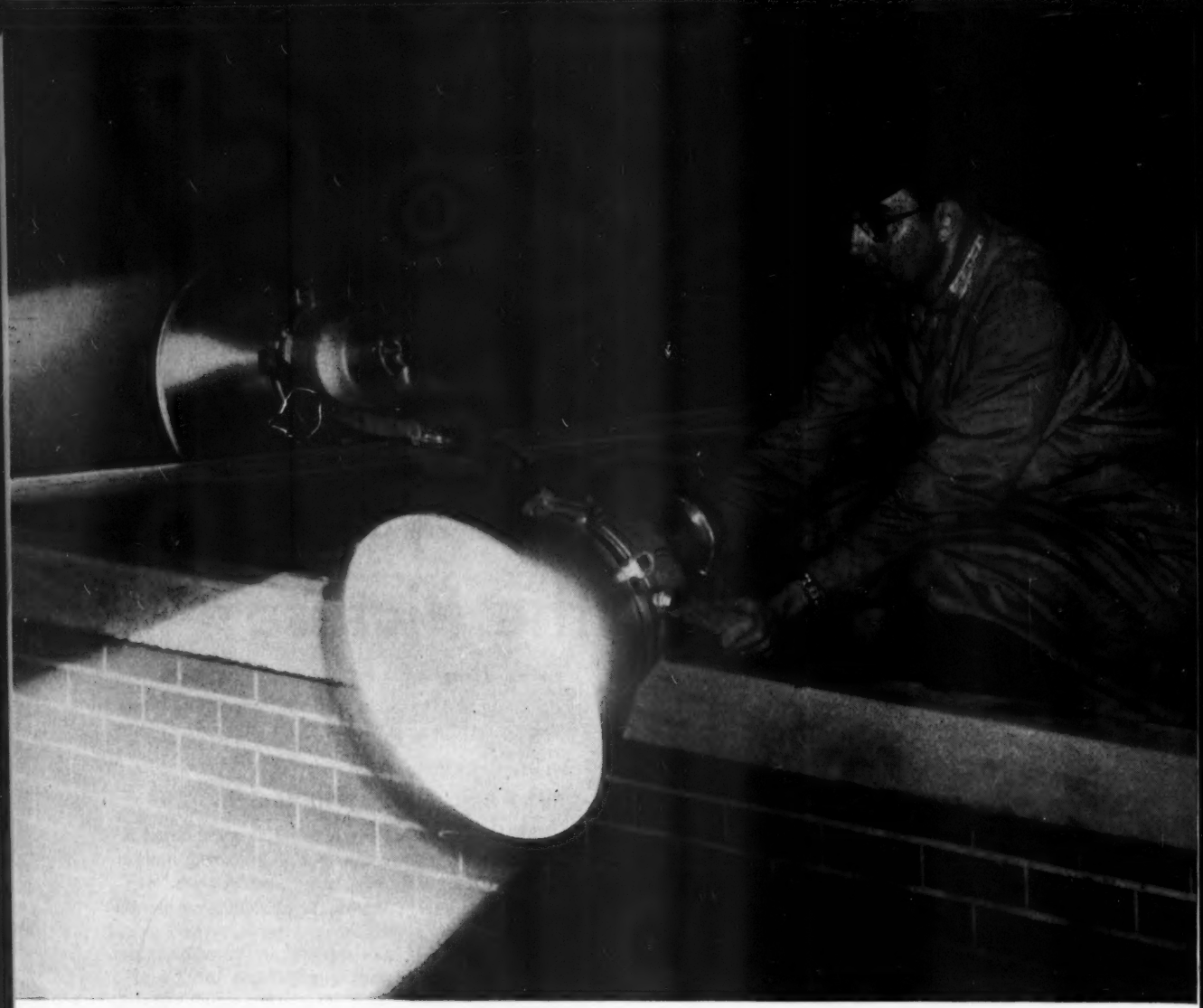
Adds another: "Where direct deliveries are being made, bulk plants still serve strictly local business such as small stations and farm accounts. In almost all cases they supply lubes and TBA."

A West Coast major thinks this way: "We are happy with the bulk plant way of doing business and we don't intend to change it. Bulk plants give a local-independent-oil-man approach to marketing which we consider indispensable." This major says it hasn't taken all big accounts away from bulk plants, whether they are commission- or salary-operated or distributor-owned, "as some companies have."

A Texas marketer says it is conducting an "extensive research study" to determine the extent to which new bulk plants or terminals might be advantageously built.

A lot of gallonage still goes out through bulk plants. The Census Bureau's 1954 report states that bulk plant sales are over $8.2-billion, about twice that of terminals. And bulk plants employ more than 86,000 workers whose annual payroll was more than $332-million.

A Midwest major sums it up this way: "Bulk plants still handle between 15%-20% of our volume. This is still an important segment of the company's business. As direct deliveries increase there may be a decline in the volume going through bulk plants, but the plants will still be needed for secondary distribution." ■



Up to 163 Degree Spread — Up to 236,000 Candlepower: Now in

New CROUSE-HINDS Mercury Floodlights

Plus 6 Outstanding Advantages Never Before Offered in Mercury Floodlights of this Wattage

New—700 to 1,000 watt mercury floodlights with the widest beam-spread on the market . . . up to 163°. Or the brightest . . . 236,000 candlepower concentrated in a 75° solid angle! Complete with ballasted assemblies that will start lamps at —30° F. offering a further choice of three different reflectors and four different lenses (including a spun-sealed plate glass lens) to adjust the beam-spreads and candlepowers to your particular needs. All using either clear lamps for brightness, or phosphor-coated lamps for color enhancement. And all offering rear-door relamping and positive locking in open position.

Mercury Floodlighting Is Here to Stay

No other floodlight lamp approaches mercury for long burning hours . . . for economy of cost and labor in relamping. And no other mercury floodlight approaches these new MVF's for convenience of relamping, aiming, utilization factor and maintenance of output over a long period of burning. Other lights in the Crouse-Hinds range of floodlights from 250 to 700 watts provide varying beam spreads, intensities and efficiencies.

✻ For assistance in computing the exact fixtures, wattages and footcandles for your needs, consult your Crouse-Hinds distributor or the Illumination Department at the Factory.

CROUSE HINDS

MAIN OFFICE AND FACTORY: SYRACUSE, NEW YORK
Crouse-Hinds Company of Canada, Ltd., Toronto, Ont.
Crouse-Hinds Instrument Company, Inc., Silver Spring, Maryland

• CONDULET® ELECTRICAL EQUIPMENT (Explosion-Proof and Conventional) • FLOODLIGHTING
• TRAFFIC CONTROL SYSTEMS • AIRPORT LIGHTING and WEATHER MEASURING EQUIPMENT •

These products are sold exclusively through electrical distributors. For application engineering help, contact one of the following offices: Atlanta Baton Rouge Birmingham Boston Buffalo Chicago Cincinnati Cleveland Corpus Christi Dallas Denver Detroit Houston Indianapolis Kansas City Los Angeles Milwaukee New Orleans New York Omaha Philadelphia Pittsburgh Portland, Ore. St. Louis St. Paul Salt Lake City San Francisco Seattle Tulsa Washington **Resident Representatives:** Albany Baltimore Charlotte Chattanooga Reading, Pa. Richmond, Va.

50 ANNIVERSARY 1909 1959

What's Ahead for . . .

■ AUTOMATION: How it will affect you in the future . . . page 169

■ AUTOMOBILES: What the trend to less service means . . page 171

■ LUBRICATION: How you can open new markets . . . . . page 173

■ RESEARCH: What it will mean to future marketing . . . . . page 175

■ TBA: A panel of experts predicts its future . . . . . page 178

■ EQUIPMENT: Another special panel looks ahead . . . . . page 190

■ PLUS A LOOK BACK at the rise of TBA . . . . . page 180
Some old-time equipment . . page 185
And an honor roll of veteran distributors . . . . . page 203

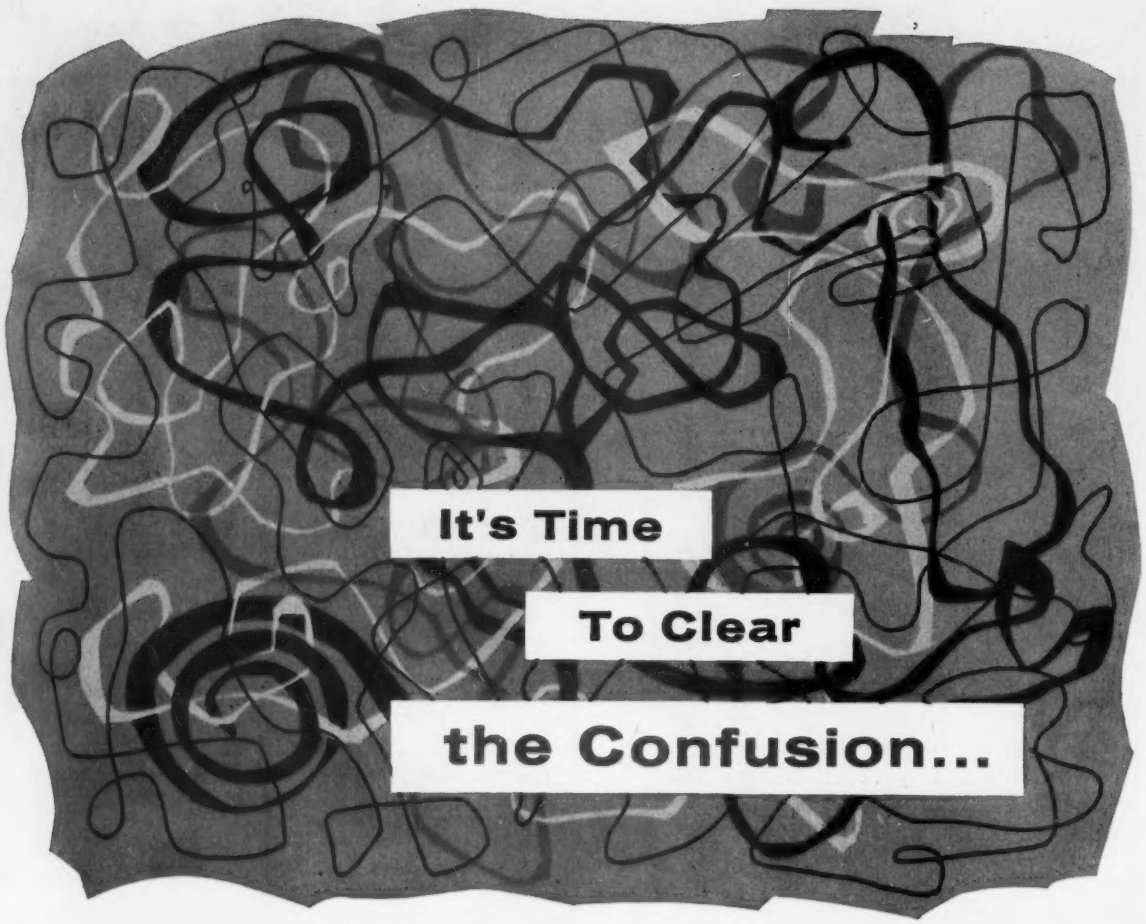
SPACE AGE TECHNOLOGY will touch every area of oil marketing. Some of the most dramatic changes will come in the administrative areas of management and accounting. Executive decisions will be influenced —and even made—by enormously intricate, enormously expensive electronic machinery. Paperwork will become "tapework," handled by mechanical brains with vast capacities for storing and sifting information. On the next page you'll find a report on the far-reaching effects of these developments.

Along with the growth of scientific data processing will come an increased emphasis on marketing research. Imperial Oil's Patrick J. Robinson tells about it on page 175.

And in the remaining pages of this issue are reports on the impact of the Space Age on automobiles, lubrication, tires, batteries, accessories and equipment.

Please turn the page ►

Representatives: Albany Baltimore Charlotte Chattanooga Reading, Pa. Richmond, Va.



It is common knowledge that repairing tubeless tires properly is more difficult than repairing tube type. Yet, it is *more* important they be repaired right! Particularly with tubeless, tire damage resulting from an improper repair is both costly and dangerous.

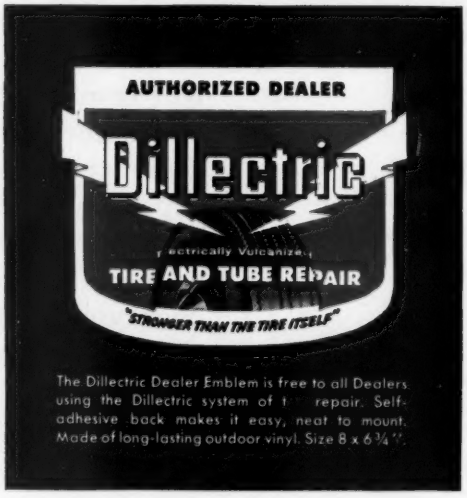
A fact *not* commonly known is that many of the tire repairs on the market today cannot satisfactorily repair a tubeless tire. Too many times an inadequate repair can result in another flat a few miles down the road or, worse, in tread separation with severe and costly tire damage.

One repair that is consistently reliable — permanently safe and sure — is the Dillectric Electrically Vulcanized repair. Under all driving conditions, a Dillectric tire repair "stays put"— *permanently!*

This story, we feel, is important to dealers and motorists alike, and we're going to tell it in a big way! Motorists will learn the Dillectric story in Reader's Digest, the world's most powerful and widely read magazine, and dealers in leading trade magazines! We're telling jobbers, wholesalers and their salesmen, too, with mailings, promotional materials, sales meetings and more ads in books they read! Top to bottom, the Dillectric story will be told.

The Dillectric Emblem you see (right) is for identifying Dillectric Dealers and Distributors. Dealers will be asked to display it, motorists to look for it. It stands above the confusion and says, "Here is a tire repair that is always safe, sure, permanent."

Free booklet, "Tips To Get Longer Life, Safer Service From Your Tires" available. Send 10c for postage and handling to Dept. N-2.



The Dillectric Dealer Emblem is free to all Dealers using the Dillectric system of t repair. Self-adhesive back makes it easy, neat to mount. Made of long-lasting outdoor vinyl. Size 8 x 6¾".

Manufacturers of Tire Valves, Valve Hardware and Equipment

The DILL® Manufacturing Company
700 E. 82 Street, Cleveland 3, Ohio

1909 DILL 1959 — 50th ★ANNIVERSARY★

How Automation Will Affect Future Marketing Methods

- **Electronic computers will eventually supplement and displace present forms of mechanical office automation.**
- **Dispatching, warehousing, station site selection – all will feel the impact of computer methods now being developed.**

FUTURE OIL EXECUTIVES are going to learn facts they never knew existed about oil marketing. They'll have answers to problems formerly thought too hopelessly complex to be solved. This will all come about, say industry experts, through the kind of office automation afforded by electronic computers.

First electronic computers installed by oil companies were for the more obvious applications in refining, production and research. Meanwhile, for marketing accounting and statistical work, many forms of mechanical automation were already well advanced and are still expanding. Now, for marketing, the computer offers a kind of super-automation whose ultimate scope is not yet fully perceived.

The computer is far more than high-speed bookkeeping. Once the raw data is accumulated and made available, the computer can promptly assimilate all phases of a problem—no matter how complex, or how many alternatives are presented.

Product Distribution—What this means for oil marketing was indicated by Patrick J. Robinson,* Imperial Oil Ltd., in a talk before American Petroleum Institute's Division of Marketing. He told how a proposal for a central warehouse was reduced to a computer program, including details of all orders filled by branch warehouses over the past seven years. The resulting calculations gave a quick and accurate projection of cost factors involved in the proposed new supply point.

A related problem confronted another major company when a metropolitan terminal was threatened by a strike shutdown. By assembling all pertinent data into a computer program, the comparative cost of all practical combinations of alternative supply points was quickly determined.

Applications like these suggest the possibility of far-reaching study of the economics of supply and transportation; of bulk plant and terminal location; in fact, into the whole geography of oil marketing. "By 1965 operations research will become the hottest topic in the oil marketing industry," predicts T. E. McEntee, petroleum specialist for International Business Machines Corp.

Preferred Station Sites—Picking the best locations for service stations is another marketing problem due for more scientific solutions in the future. A trial study made recently for a major company used computer programming to weight traffic flow, population trends and all other factors to come up with a list of preferred choices.

Soon computers will be tackling such questions as dealer efficiency; the profitability of salesmen; the effect of advertising expenditures; sales forecasting; local truck dispatching; degree day computations, and many other key marketing functions. In the years ahead, oil marketers will chart new courses as a result of computer-based information. ■

*For more of Robinson's thinking, see page 175.

New Tung-Sol Auto Lighting Rack

Size: 24" x 32" x 8"

Stocks everything you need for

A Profitable, One-Stop Lighting Service!

ONE HEADLAMP FREE IN INTRODUCTORY DEAL

Ask your jobber's salesman about the good profit spread in this offer!

13 Newest Type Vision-Aid Headlamps
4-6006 (one free), 4-6012
4-4002, 1-4001

5 Most Widely Used Tung-Sol Flashers
1-A229S, 1-UP229D, 1-P273D
1-AP373V, 1-AP273V

Custom-Built Wire Rack
For stand-up or wall display

This introductory deal of 13 headlamps—one 6006 free—5 flashers and the wire rack, *dealer-designed* exclusively for Tung-Sol, puts you in the auto lighting replacement business right away . . . and as soon as you've sold the free headlamp, you're repaid for the rack and are on your way to bigger profits.

Sturdy wire rack can hold as many as 10 dual and 8 of the new 7-inch headlamps, 10 popular flasher types and both 6 and 12-volt miniature lamp cabinets. As an added convenience hooks are provided to keep your headlamp tool and flashtester right where you can lay your hands on them. Lamp Division, Tung-Sol Electric Inc., Newark 4, N. J.

See your Tung-Sol Distributor for complete details

TUNG-SOL®

Detroit aims to produce a service-free car. Steps toward that goal may change your whole concept of service

Less Car Service Ahead?

DETROIT'S DREAM is a car that needs no service, no lubrication, no repairs.

Car makers say they're unhappy with auto automotive service in the field—both at service stations and their own franchised dealers. An equally compelling consideration is the strong merchandising appeal a service-free car would have.

The Engine of the Future

The small car boom has apparently convinced car makers that consumers want more operating economy. Designers are now working on engines that will get more miles per gallon of gasoline, and will use regular grades.

The annual rise in compression ratios is due to slacken, and maybe level off. Premium gasoline sales may suffer slightly. There'll be less demand for the top grades of motor oil.

The economy binge is likely to extend motor oil drain recommendations even further than at present. Unless lube marketers' current efforts (see page 173) bear fruit, motor oil ratios will continue their decline.

Aluminum engines will debut in passenger cars around 1960. They're already used in trucks, where weight is an important factor. They'll affect oil marketers only slightly: there's some indication that alkylate fuels attack aluminum blocks.

Turbines and Pistons—Research is forging swiftly ahead in producing a competitive gas turbine engine. The free piston engine may never be used in passenger cars, but it may make headway in trucks.

General Motors' Allison Division is planning production and sales of gas turbines for heavy-duty truck and off-highway uses in the near future. A GM spokesman says turbines will be widespread in trucks five years from now. Chrysler Corp. turbine research is reportedly even more advanced than GM's and a Ford spokesman predicts his company may be ready to convert to turbines in trucks by 1962 or 1964.

On the passenger car side, Rover of England is reportedly ready to hit the market with a turbine-powered sports car in 1960.

Significance for Oil—Turbine engines burn kerosine or jet fuel. Engine lubrication is simplified. Almost no oil changes are required, since there is no fuel blow-by to contaminate the lubricant. But a high-quality lubricant is demanded by the extreme operating temperature.

The turbine has no radiator, and hence needs no antifreeze. There's no fan belt, and only one spark plug. Engine tuneups aren't required by the simple ignition system. Voltage regulators and distributors, if used at all, are of minimal importance.

Turbines won't eliminate service station maintenance functions entirely, however. Rotor parts will have to be replaced and carbon cleaned from inside elements. Both jobs will apparently be simple enough to be done at stations.

No Gasoline Needed?—Scientists at Lockheed's Sunnyvale, Calif., missile laboratory are currently developing a new kind of electrical battery called a "fuel cell." Lockheed predicts that within five years it can develop a cell capable of developing 300 watt-hours-per-pound. Detroit engineers say an 80-watt-hour-per-pound cell might be enough to power the average car.

GM is experimenting with solar energy as an automotive power source. Although progress has been made, and GM has a 15-inch model car that runs on the sun's rays, a practical solar car seems a possibility only in the far distant future. Similarly, nuclear power for cars is only a conversation piece in Detroit right now. But don't write it off as permanently impractical.

Other Services—Engine repair isn't the only area that could be affected by Detroit's inclination toward a service-free car.

A sealed cooling system is a long-range possibility. That would eliminate not only anti-freeze sales, but also rust inhibitors and cooling system sealer compounds.

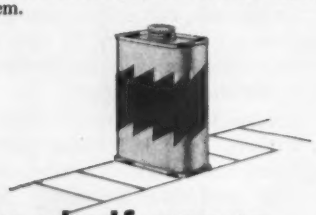
Ford's announcement of a lubeless chassis in 1960 (NPN—Jan., p95) spells trouble for chassis grease business several years hence. Ford also is producing self-adjusting brakes, a sign that brake relining and adjustment may decline in the future. Better automotive paints point the way to possible decline in wax and polish jobs, although car-washing will certainly continue to boom.

Finally, muffler and exhaust systems in 1959 models are built to last two to three times as long as in earlier models. Continued improvements could produce a muffler that will last the life of the car. ■

Continental "F" style cans make displays that sell

Easy stacking

"F" style cans have a recessed bottom that fits securely on top of can below. Floor and counter displays stay attractive no matter how high you stack them.

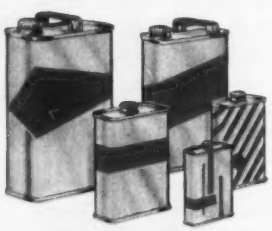


Save shelf space

Oblong "F" style cans fit together snugly without lost space per shelf foot, get greater emphasis on *your* product. It's easy to create mass displays that create impulse sales with "F" style cans.

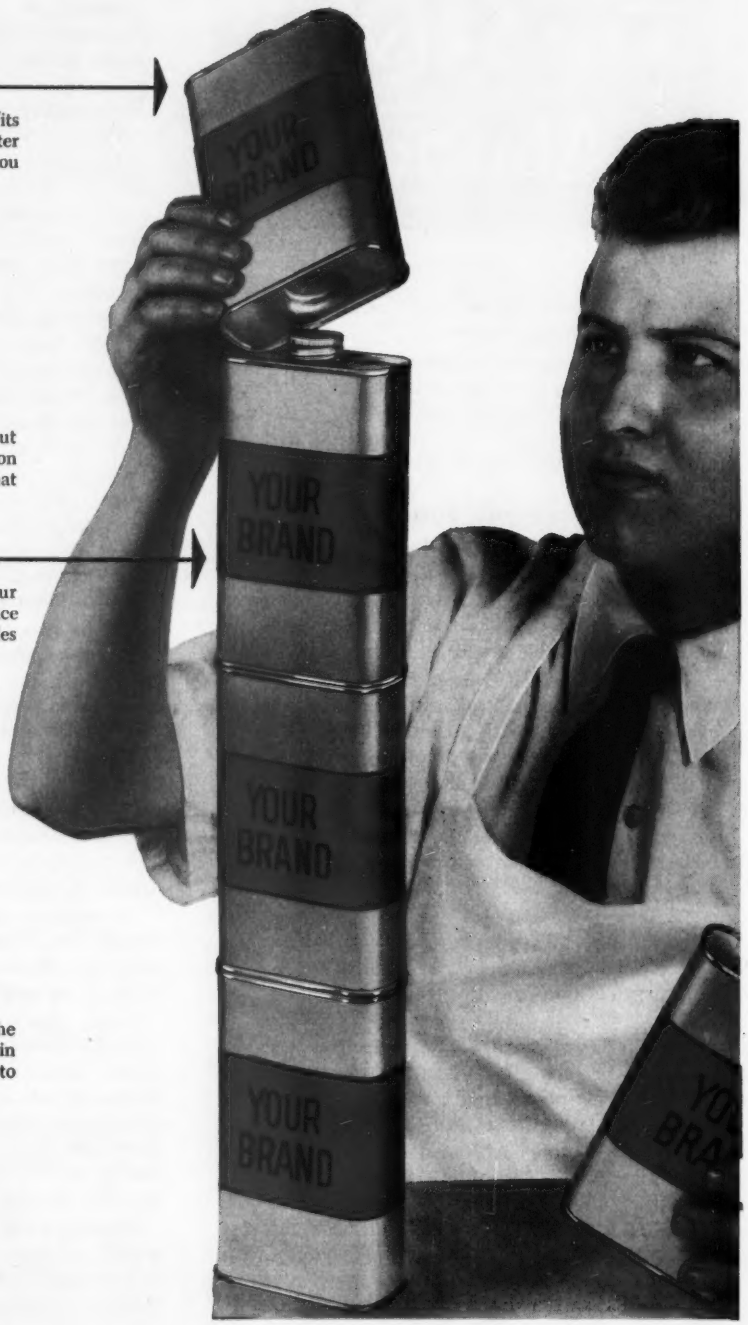
Superb lithography

Continental's excellent lithography gives your product sparkling sales appeal. Broad can surface allows more display space for a powerful sales message.



Sizes to fit

Displays pay off when the customer sees what he wants. Continental "F" style cans are available in five convenient sizes ranging from eight ounces to one gallon.



CONTINENTAL CAN COMPANY

Eastern Division: 100 East 42nd Street, New York 17
Central Division: 135 South La Salle Street, Chicago 3
Pacific Division: Russ Building, San Francisco 4
Canadian Division: 5595 Pare Street, Montreal, Que.

It's time to chase the gloom from lube sales prospects — that's the word from key lube marketers themselves

You Can Sell More Lubes

THE SERVICE STATION lube market may be down, but don't count it out. New ideas to rebuild automotive lubricant sales are taking shape. Meanwhile, industrial uses now developing will take up some of the station-market slack.

Top marketing management is at last showing serious interest in lagging lube sales. New surveys pinpoint areas that need improvement. These surveys seem dismal at first, but they're actually stimulating thinking among lube men. Gloomy predictions about sales potential may prove to be disguised blessings.

Why More Lubes Aren't Sold

There are three gremlins at work behind the decline in motor oil ratios and the impending drop in chassis grease sales: (1) mechanical improvements in cars; (2) poor dealer salesmanship at the island; and (3) bad consumer habits. Oil men can't do much about the first, but the latter two are ripe for change.

Mechanical—In recent years, crankcase capacities have been steadily shrinking. In 1950, the average crankcase held 5.2 qts. of oil; by 1958, capacity had dwindled to 4.6 qts.

Still more dramatic is the decline in the number of chassis lube fittings per car. In the eight years from 1950 to 1958, the average number of fittings plummeted from 24.3 to 10.7 per car. Some 1959 models will have only 8 fittings.

Now from Detroit comes the news that in 1960, two Ford lines will feature lubeless chassis bearings. (See p95). Other car makers are expected to follow, leaving a dent in grease sales by mid-1960.

Salesmanship—There has been a general letdown in the quality of retail salesmanship since World War II (ask your wife about sales efforts in your local department store). But this sloughing off shows most clearly in motor oil sales.

No one knows exactly how much lube business is lost through sloppy, negligent salesmanship at the pump island. It's been estimated that sales would immediately rise 25% to 50% if every attendant raised the hood of every car that drove into a station.

Jobbers and suppliers are partly responsible for the poor sales effort. For a long time, over-all lube sales increased with the boom in car population, despite a decrease in unit consumption. The oil industry was complacent; it didn't believe the bottom could drop out.

Even now, in an era of greater awareness of lube sales problems, lube promotions are often weak and ineffective. Dealer training programs seldom stimulate sales desire. Advertising campaigns for premium motor oils sometimes have the paradoxical effect of convincing motorists that more expensive oil lasts longer in the crankcase.

Consumers—The most telling cause of trouble is the industry's failure to reach the consumer.

Conflicting oil drain recommendations confuse the average driver. Detroit says he should change oil every 4,000 or 5,000 miles. Oil men tell him he should change at 1,000 miles. The fine print in both recommendations escapes him. As a result, he drives about 2,900 miles between crankcase drains (NPN—Jan., p93).

The split between car makers and oil marketers has its effect. Worse still, there has also been disunity among individual oil companies, even among departments of the same company. A longtime filter salesman claims there's less harmony between TBA and lube men than between a mongoose and a cobra.

What Marketers Can Do

Look for a two-pronged attack on lube sales to emerge from the confusion and disinterest of the past. The first target will be the motoring public, the second the dealer.

Industry Effort—For the first time since the war, the industry seems solidly behind a concerted lube campaign.

The API Lube Committee has $75,000 to use in a campaign for shorter drain periods. First step will be to try to reach agreement with Detroit on drain period recommendations.

Sun Oil Co.'s Willard Wright heads a group studying the best approach to the car makers. It looks as if a high-level meeting of marketing vice-presidents—or even presidents—of the two industries may be possible. (*Continued*)

By RICHARD C. SCHROEDER
Lubrication Editor

(Begins on page 173)

Lube committee members may be willing to relax their 1,000-mile drain recommendation, in return for a more "sensible" recommendation from Detroit.

Some time ago, an oil industry advertising campaign was proposed for lubes. It never got off the ground. The $75,000 appropriation now held by the Lube Committee is for a public relations drive, to place articles in leading magazines. It could have nearly as strong an impact.

Research data could bolster the public relations campaign. Previously, lube men turned thumbs down on an industry-wide research project as "needless duplication" of individual company projects. Now some committee members think separate research studies of lube performance could be pooled by the industry and used as a convincing sales pitch.

What's more, research could help check the spread of greaseless fittings to trucks and buses by showing that grease is cheaper and safer in the long run than synthetic bearings.

Gasoline advertising won't suffer from the lube oil promotion campaign. But there may be an increase in "Drive More" campaigns like those conducted by Sinclair Refining and the Ethyl Corp. Even with low oil ratios, the more gasoline sold, the more oil and grease sold.

Help the Dealer—New efforts are under way to boost the level of dealer salesmanship.

Why don't dealers push lube sales? Because they don't want to, say the experts. In psychological terms, they aren't "motivated."

Gulf Oil's new training program is built on the grounds of motivation. By making dealers *want* to merchandise, Gulf thinks it can more easily show them *how*. If Gulf succeeds, other oil companies will adopt the same approach.

Even well-motivated dealers need more point-of-sale merchandising support. Take packaging, for instance. Relatively few packaging changes in recent years have had much sales significance. Oil men have stubbornly clung to the belief that "packages don't sell." Other retail businesses have proved the opposite true. Now some oil marketers are beginning to call for more study of the role of packaging in lube sales.

Similarly, sales "gimmicks" are due for more emphasis. Here are two examples:

Socony Mobil's new crankcase oil analyzer (NPN—Jan., p96) could be what the doctor ordered. It should at least spur some dealers to open hoods and ask for oil changes. This in itself could increase oil sales 300%, according to recent market tests (NPN—July '58, p89).

Some lube sales managers are debating a proposal for a joint oil-and-filter sales campaign. Mike Shapiro of the Fram Filter Corp., who came up with the idea, reasons that a filter change means an extra quart of oil sold. A dealer can make up to $850 a year extra oil profit if he pushes filter changes, Shapiro says.

You Can Build New Markets

Some new markets are popping tailor-made into the laps of lube men. The multi-billion dollar federal highway program is booming demand for greases and oils for heavy-duty construction equipment. Sinclair Refining Co. has set up a special sales group to exploit opportunities generated by the federal road program. (NPN—Jan. '57, p58).

There's also a sizable construction market for greases in forming compounds, used in pouring concrete for foundations. Process industries are demanding more grease and oil for use as base materials. Fiberglas and synthetic rubber, to mention only two, use petroleum as a base material.

Research Task—Possible industrial and commercial uses of lubricants are almost unlimited.

Most supplying companies have extensive research groups at work. But up to now, few have turned their attention to developing new uses for greases and oils. Research of this kind could be a key to future lube markets.

Here's an example of what research can do. Faced with a possible cutback in sales of distillate fuel, Esso Research has come up with an oil-fired snow-melting machine for parking lots in colder climates. Research has also discovered that light fuel oil can be used to spray banana trees and coffee plants on Latin American *fincas,* to check the spread of parasites and disease. In both cases, new uses were found for an old product—new uses that will pay off in bigger markets.

Management's Task—Some lube marketers feel that lubricants have for too long been a stepchild in the total marketing picture. They think lube sales departments should be made separate groups, distinct from gasoline and TBA sales departments, and unrelated to operations. One company, Tidewater, already has such a setup, and champions the closer control it affords over sales performance and operating costs.

In any case, smart marketing management will increasingly give emphasis to lube market development. Hard-hitting analyses of weaknesses in present marketing practices will be encouraged. Even the "prophets of doom" will be welcomed, provided their reports will stimulate forward thinking and more aggressive salesmanship.

Jobbers' Task—The jobber will play a bigger role in stimulating lube sales in years to come. He's right on top of the automotive lube market, and he's close to commercial and industrial accounts in his own market area.

Jobbers often hold the key to national industrial lube accounts. A. S. Randak, consumer sales manager for Sinclair Refining, says, "The jobber is in a good spot to promote the sale of industrial lubes. Jobbers have solicited industrial accounts on the local level which we have developed nationwide. We need more of this kind of thinking." ■

How Research Will Help Handle the Challenges of Tomorrow

As fast change and shifting markets bear down on oil marketers from all sides, the day is coming when survival will demand unflinching use of research to narrow the area of hunch. This will require "management scientists," says the author, working in top-level teams

By Patrick J. Robinson

DO WE REALLY understand what our market opportunities are? By what methods can we be efficient marketers? What criteria of success should we aim to achieve? What's the aim of our marketing strategy? What is it we really want to achieve?

Marketing today—even on a modest scale in small operations—is complex. The consequences of business decisions are increasingly numerous and important. The growing risks require better techniques to evaluate and balance—or stronger stomachs and more reliable intuition on which to take chances.

Customers are subject to competing desires and appeals, and since these attitudes are not likely to change, it behooves petroleum marketers to learn how best to live with them.

Then, too, many oil company supervisors and managers are the present-day sophisticated blend of the old-time "hucksters" and the more recent unit-cost and systems-conscious operations people. They rely on experience, intuition and judgment to guide them in decisions, and are not easily sold on changes calling for confidence in highly technical or scientific studies. They know their problems are complex, but only a few seem aware there is anything they can do to narrow the areas for unaided "hunches."

How to Meet Change

The technology of change is at work on all sides, bringing pressures to bear on our markets. Not only are new petroleum-derived fuels, lubricants and petrochemicals constantly appearing, but competing non-petroleum products are increasingly numerous, and the end-use equipment requirements are changing rapidly.

Our markets can change or disappear almost overnight, representing both potentially severe losses and possible profitable opportunities. To minimize the losses and capatilize on the opportunities calls for careful planning and considerable flexibility in handling research budgets and exploration in marketing.

Exploration in marketing?—Call it research in marketing, operations research, management sciences, or what you will. But remember it's a different approach entirely to the solution of problems from that which has been established for years under the name of market (or marketing) research.

Market research has so far provided "facts" about markets, people, costs, channels of distribution and competition. With such information management may have felt well-informed; may, indeed, have gained many valuable insights into operations and been able to estimate, through judgment and experience, the benefits and risks involved in various courses of action. But if the underlying relationships are unknown or misinterpreted, the facts themselves may seem conflicting.

Market research can do, and has done, some good work. But experience on the job is important, and many men are just "passing through" or

PATRICK J. ROBINSON

. . . is the founder of operations research activity at Imperial Oil, Ltd. He joined the company in 1948, became coordinator, marketing research, in 1952.

Attached to the staff of the University of Toronto for seven years, he's now giving two courses in O. R.

Robinson, author of many papers and articles, is also a frequent speaker and is active in eight technical and scientific societies.

(Begins on page 175)

are essentially semi-professional or simply clerical types. This obviously limits what can be accomplished and what class of problems may be assigned.

Enter the Scientist

Progressive managements have come to recognize the potential impact of employing scientists on the difficult and important problems of marketing and management decision-making. They have realized that intensive research and technical improvements over a period of many years have been responsible for the development of comparatively low-cost, high-quality products. And they know that marketing and business problems in general are at least as complicated and uncertain as refining and producing problems.

Some significant, but relatively restricted, contributions have already been made by scientific staff work in various petroleum companies. But in many respects these efforts have been hardly more than broad surface scratches, or, alternatively, deep, isolated probes.

Compared with studies which will be undertaken by enlightened companies in the future, they have been limited in scope and lacking in scientific sophistication, having little productive impact on marketing strategies.

The New Approach—A more productive method has been conceived. It's variously called operations research, operational research and management sciences.

The chief point of contrast between it and the "old" marketing research is the application of "the scientific method" to complex business problems. Its practitioners require advanced technical competence in the professions. They are primarily management scientists who keep abreast of their individual fields of competence (mathematics, physics, econometrics, behavioral sciences, etc.) while working in inter-disciplinary teams on difficult and important strategic problems to assess the probable consequences of feasible, alternate courses of action for given problems.

But management must have a willingness to appreciate and use to advantage the full impact of the methods of these professional men in problem-solving (as opposed to mere fact-finding) if O. R. is to achieve its potential.

How It Will Develop—The efficient allocation of efforts and resources to meet well-defined goals is a management aim which is just beginning to be helped by this "how" type research, as a natural complement to the essential fact-finding "what, where, when and why" activities. These management decision aids are bound to continue developing together, becoming better-equipped and well established.

Both now and in the future the profitable and most productive utilization of research in marketing should be—and will be—tied to an appreciation of the following fundamentals:

- Effective planning comes through teamwork between line and staff people, based on a growing appreciation of important problems, markets, resources and restrictions; plus objective insights into strategy formation, guides to higher productivity and more efficient allocation of efforts (both human and material).
- The responsibility and initiative for decision-making will always be the line or functional manager's. The caliber and scope of activity will usually depend on the administrative level to which O. R. reports, and the types of executives involved. However, it is better to get a good start at almost any level than to wait for an "ideal" arrangement.
- Over-simplification of complex problems is at best a trivial waste of time and money, or at worst a dangerously misleading guide. Appropriately skilled teams of able researchers of serious intent should—and will—be selected carefully to study problems for which the ends justify the means.

The Scientific Manager of 2000 A.D.

Today's business managers can look to business researchers as key partners in the process of effective decision-making and resource allocation. Beginning in a decade or two, managers may be quite different, since business administration and business research will have much more in common.

The scientific manager of the year 2,000 A. D. may emerge at the head of organizational functions no longer designated as marketing or manufacturing or producing but submerged in "general interest" functions bent on the optimum performance of all operational phases of the business.

If this time comes, research in businees may achieve its true potential. In any event, in the future a firm's over-all functions and resources will be employed more intelligently at less cost or waste, and with much less time or effort.

Electronic devices of all sorts will help make this possible. The general standard of living should rise on an ascending series of productivity and product-use improvements. The petroleum industry may enter an era of virtually untapped markets for petrochemicals and other derivatives. Conventional burning of petroleum products for energy may be considered a waste of an unreplenishable natural resource.

Added to this, diversification may take the classic petroleum company out of the picture as it now functions, and it may not be unusual to see consumer durable goods being produced and marketed along with 21st century soft goods.

Clearly, the challenge to today's progressive managers and researchers, and their responsibilities to the buying public of tomorrow, will only be met adequately by those who recognize that planning must begin now. ■

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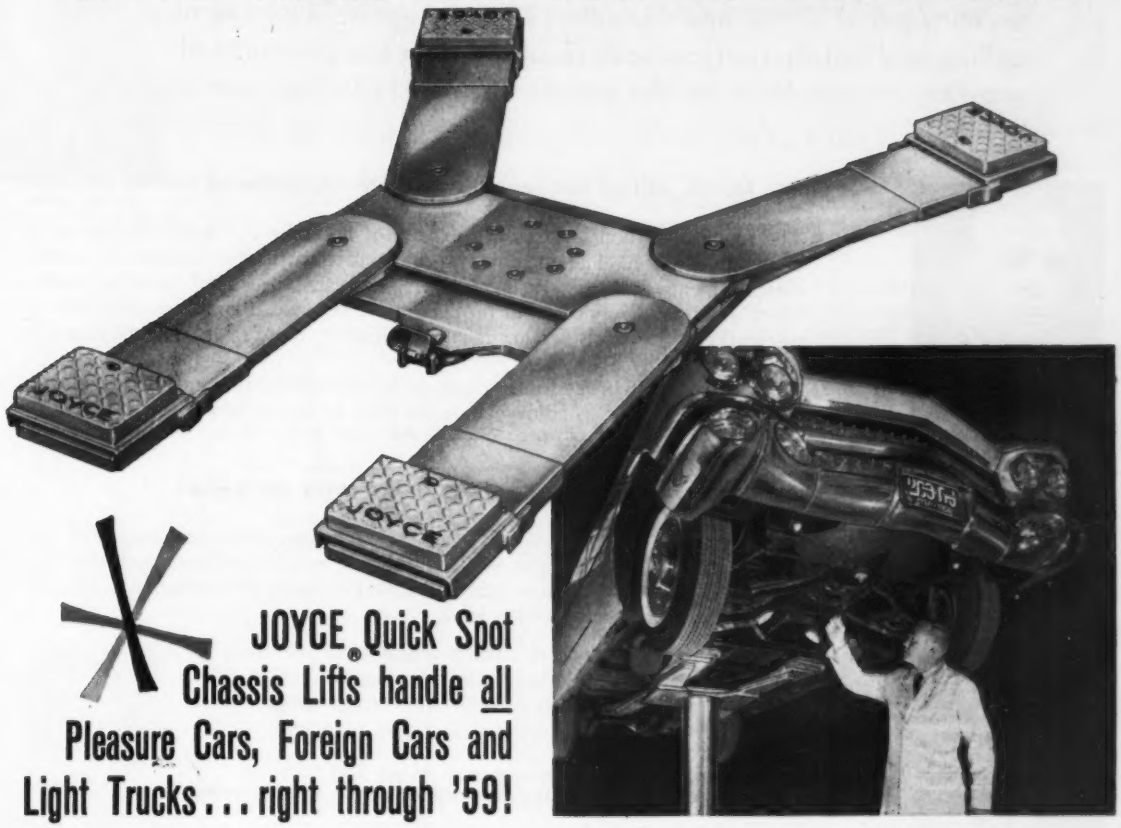

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New Products, Bigger Stations

Climbing car population will bring many changes in TBA, says an NPN panel of U.S. and Canadian TBA managers. They see new selling and distribution methods resulting from the pressures of growing volume. Here are the panel's answers to 15 key questions

M. S. MARSH
Standard Oil Co. (Ohio)

Q Mr. Marsh, will oil companies encourage expansion of station services?

A The scope of station services will expand of necessity . . . not as matter of oil company election. The increase in cars will outstrip the number of service establishments. The growth in minor repairs can be justified on three counts: More goods and services sold produce more revenue; there's an obligation on oil marketing to keep service locations healthy; there's also an obligation to keep cars healthy.

The trend will bring some tough problems, including complex inventories, packaging, and how to hold your dealer after he learns new skills.

C. J. JAMESON
Continental Oil Co.

Q Mr. Jameson, will stations of the future carry more TBA?

A Yes, because we're going to see many more cars on many new highways, and that means we'll need bigger stations carrying more merchandise. I shouldn't be surprised to see a trend to new and different kinds of merchandise, although it's difficult to foresee just what kind.

E. D. DIGWEED
Cities Service Oil Co.

Q Mr. Digweed, will service stations undergo much change?

A We'll have the most beautiful stations we've ever seen, and they'll offer convenience and service to the public on a broader scale than we've ever known. They'll differ as much from today's stations as present stations differ from those of the open lift and pit days. The woman motorist of the future will have a profound influence on all phases of our business.

Q What about TBA distribution methods?

A TBA warehouses eventually will disappear, as more and more shipments go direct from factory to dealer. Chances are salesmen will be given wider responsibility, perhaps with complete charge of exclusive territories.

LEO SPANUELLO
Pure Oil Co.

Q Mr. Spanuello, what about simplification of TBA lines?

A Some day we'll have a reversible tire that can be used either as whitewall or black, and batteries, perhaps with bayonet-type connections, that can be snapped into place . . . probably an improved, low cost unit so that every car can have three batteries, one for starting, one for all those power accessories, and a spare in the trunk. And while we're at it, why not a fan belt, perhaps of nylon, that will stretch to fit all pulleys.

Q Will TBA continue to be sold by general-line salesmen?

A Very likely, but in time we'll see a new kind of salesman. He'll concentrate on teaching dealers how to sell and not how to manage his business. It's surprising how fast a dealer turns into a sharp bookkeeper when his sales volume builds up.

In TBA's Future

NPN Panel Prediction

PAUL HAWK
Standard Oil Co. (Ind.)

Q Mr. Hawk, what's the future for tuneup and brake service?

A In time the motorist will come to depend more and more on his service station to take care of his car and keep it in running condition. Most better dealers already have some form of tuneup equipment. A great deal of brake work is being done in service stations, and we are giving serious consideration to entering this phase of the business ourselves.

Q Will the day come when every station will be a TBA station?

A On the contrary, I think the split between TBA and non-TBA service stations will continue. There will always be room for a large-volume gasoline marketer without service facilities, although that kind of operation does not appear feasible for major companies and their dealers generally.

At the same time, for the well-equipped station, the future may bring broader lines of merchandise. The increasing tendency of motorists to want to drive in for anything they buy will probably drive us into more and more unrelated products. That will mean larger stations, larger salesrooms, and more service facilities.

Q Will the TBA volume handled by oil marketers continue to expand?

A We are certainly in a growing market with the continued rise in car registrations, to the extent that so-called recessions in the general economy don't seem to have very much effect on our business. We are looking forward to continued progress and growth in this phase of the business for many years to come.

N. E. THOMPSON
British American
Oil Co.

Q Mr. Thompson, what's in the wind for TBA in Canada?

A More completely integrated TBA programs. For best TBA results you should have big volume and maximum turnover, and you can't get those by going into TBA in a half-hearted way.

Q Will TBA sales commission plans continue to dominate in Canada?

A It's doubtful. Our total market will eventually be so large it will induce Canadian rubber companies to offer more private brand tires. I look for Canadian oil companies to expand into complete private label TBA lines or a combination of private labels and national brands.

Q Where does that leave the Canadian automotive supply houses?

A They'll put up a hard fight to hold their service station TBA business. The oil companies may in time find it advisable to offer inducements to dealers—perhaps an annual bonus or something along that line.

JOHN K. HOWE
Skelly Oil Co.

Q Mr. Howe, will there be shorter TBA lines in the future?

A Shorter TBA lines in my opinion are in the same category as world peace. All of us want it but do not know how to get it. By the time we get one line shortened, new developments, designs or both have added something else. This constant shift and change will go on forever.

Q How much influence will TBA have on future station design?

A Motorists will continue to force service stations to do more and more of the mechanical service. This one condition will have more influence upon the design of stations and the distribution of non-petroleum products than any one single factor of the automotive business. ■

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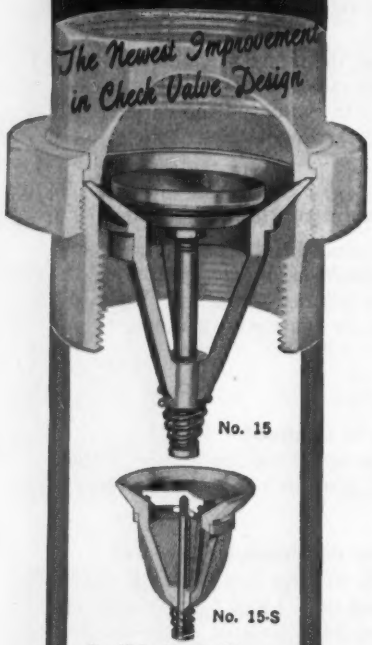

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No. 15-S

No. 15-S with smoothly contoured, no-seam, full flow 40-mesh brass screen strongly secured on nylon body by nylon retaining ring.

HERE'S HOW EASILY YOU CAN INSERT OPW's No. 15 IN EXISTING PIPE LINES.

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TBA: The First Fifty

FIRST AID to the flat tire was the forerunner of the tires, batteries and accessories business. Station operators found they needed air to pump up soft tires just to get stranded customers out of the way. And one thing led to another.

Stations needed tire gages, then valve cores and tire patching materials. Other accessories edged their way in, but no one charted the speed or extent of the move.

It wasn't until 1921 that an Iowa jobber—H. C. Wurster of Hawkeye Oil Co.—told a National Petroleum Assn. meeting:

"The filling station of tomorrow is going to sell accessories and serve the auto owner in more and more detailed form."

Oil marketers took greater notice of the trend when the term "one stop station" caught on east of the Rockies around 1925.

How TBA Really Got Started

The first organized effort to combine the sale of TBA with gasoline started 30 years ago. Rubber companies were being hurt by retail mail order stores, so they urged tire dealers to set up service station and accessory stores. Where urging didn't work, the tire companies set up their own stores.

When the Standard companies organized the Atlas Supply Co. in 1929 and began to sell tires through their stations, the rubber companies went after other oil company business.

Firestone signed its first oil company, Pure, in 1930, for the sale of Firestone tires through Pure's salary stations on a sales commission basis.

One by one, other major oil companies adopted some form of TBA marketing, but over-all development was relatively slow prior to World War II.

The growth of lessee operation of service stations in the mid-Thirties didn't help oil's TBA progress. The job of getting the dealer to take on a line of TBA held things back for a while.

TBA Comes of Age

When World War II slashed the gasoline business, station operators—as well as their gasoline suppliers—saw how TBA profits helped pay the rent.

The big expansion in TBA marketing began after the war. Practically every major oil company overhauled its TBA program.

New private brands were born: Pure, Cities Service, Mobil, Gulf and Amoco tires came on the scene, along with a string of batteries and accessories sold under oil company brands.

The sales commission plan expanded, too, as companies like Continental—previously on the TBA sidelines—used this method to launch a TBA program.

Helping to associate service stations with TBA in the mind of the buying public was Atlas Supply Co.'s advertising program in consumer magazines. The ads emphasized that Atlas products were sold in service stations everywhere.

Many of the larger oil companies began advertising their tires and batteries direct to the consumer.

Rubber companies encouraged more local newspaper advertising of their tire lines, over the names of groups of service stations sponsoring the lines.

By 1950 most of the major oil companies were using a complete array of merchandising techniques

Years

in order to increase their TBA volume.

They adopted budget programs, offered extended dating on seasonal TBA orders, urged dealers to combine traditional lubrication service with TBA selling, and generally gave TBA merchandising a more prominent place in the dealer training picture.

New Tools for TBA

One of the most significant moves of the Fifties was the sponsorship of special TBA equipment. Beginning with Richfield's highly successful demonstration of the value of mechanical tire changers in the service station, this movement swept the field of oil marketing.

Then came power wrenches, tread gages, battery chargers and testers, and radiator pressure gages.

Oil company TBA departments next sponsored large tire display and storage cabinets for permanent mounting on station driveways.

The mid-Fifties saw the start of a drive for minor automotive repair work at the station. Nobody knows the ultimate scope of this development.

First significant move was Shell's official sponsorship of engine tune-up as a sideline for its dealers. Many other oil companies moved to encourage it.

The trend was in part a recognition of a state of affairs that already existed among a large percentage of station outlets. Minor repair work got its foothold during World War II, and many major companies concluded it was here to stay.

Thus they made a cautious attempt to help their dealers cash in on a growing market.

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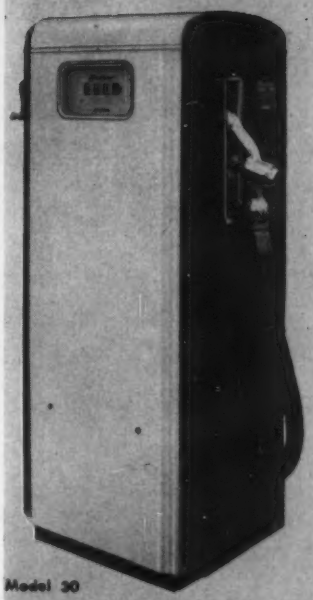
GASBOY

Fleet-liner "30"

HIGH SPEED for HIGH GALLONAGE FLEETS

30 G.P.M.

The high speed—low cost Model 30 cuts "fuel-up" time in half . . . saves valuable time of men and expensive mobile equipment . . . doubles customer satisfaction.



Model 30

GASBOY

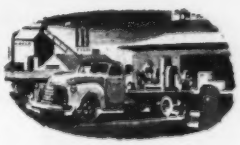
Starliner 100

BIGGER and BETTER at the same LOW price!

14 G.P.M.

Now, four inches taller for greater stream-lined attractiveness and convenience in use.

More than ever, the GASBOY 100 Starliner leads the field.



Model 100

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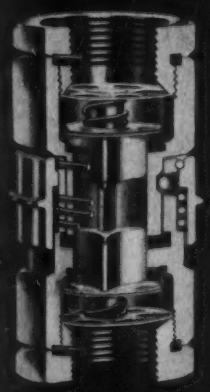

Provided with valves to give two-way or one-way automatic line shut off.

Built to handle high pressure in hydraulic and air systems.

Snap-Tite couplings stop the flow instantly"

Snap-Tite provides instant shut-off wherever fluid coupling is needed.

Snap-Tite couplings connect and disconnect quickly and fully—they automatically open line flow when connected; positively seal your line when disconnected—with no "ifs", no chance for human error.

Snap-Tite couplings are available in sizes from ¼" to 10" ID in all machinable metals. For more information, write for Snap-Tite catalog and, if you wish, describe your problem. Your local Snap-Tite representative will be glad to advise you.

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Profile for modern selling

Bennett fluorescent lighting is the most brilliant means of merchandising your product. Two large advertising panels on the Two Thousand pump provide maximum product identification.

QUALITY PRODUCTS
JOHN WOOD
SINCE 1857

Oil marketers everywhere know that traditionally fine Bennett features assure year-in, year-out dependability and lowest maintenance cost.

STANDARD FOR COMPARISON

Profile for station space economy

STANDARD FOR COMPARISON

Bennett's Two Thousand "Trim Twins" double island capacity without sacrificing space. Handsome "Trim Twin" housing is exactly the same size as a single pump.

QUALITY PRODUCTS JOHN WOOD SINCE 1864

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Export: John Wood International Corporation, 29 Broadway, N. Y. Cable "WOODINTER"

Only the solitary horse in the center mars this 1917 display of motorized might at The Texas Co.'s Birmingham, Ala., terminal

Remember That Early Equipment?

The most you could say for some of it was that it worked. And each field had a swarm of manufacturers, until mergers and failures took their toll

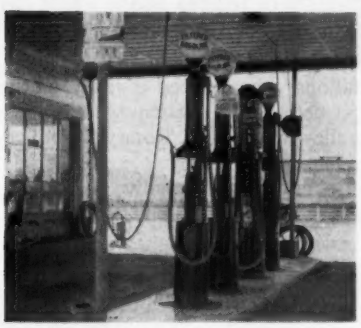
CRUDE BUT ADEQUATE—that describes the tank wagons, barrels, hand pumps and measures of 1909. Two NPN advertisers in 1910, Bollwerk of St. Louis and Columbian of Kansas City, offered tank wagons—horse drawn. Morrison Bros. offered interchangeable tanks for wagons or sleighs.

You could buy any number of 55-gal. dispensing cans for grocery store use. The American Can Co. of Chicago sold a line of cans in hinged-top wood shipping cases. Tank car manufacturers were numerous.

Changes were swift. Makers of steel drums and metal cans of all kinds rushed into the market. In 1911 an ad appeared for the Grabowsky commercial car, a three-ton, chain-drive tank truck (on solid tires, of course) capable of doing work that formerly required eight mules.

Horse-drawn tank wagons were still in their heyday when NPN started in 1909

A. W. Wheaton Brass Works and Morrison Bros. were advertising "wagon faucets" in 1912, but the simple days were fast disappearing. In the same month Bowser advertised the first preset meter, then called a "self-registering measure." A remote control switch actuated a pump driven by an electric motor. Thus automation came into oil marketing.



Gasoline pumps of 40 years ago were tall and always topped by glass globe

Early Gasoline Dispensers—A roadway filling outfit was advertised in 1914 by the Western Oil Pump & Tank Co. It was a pedestal and metal cabinet to house a hand pump. Grocers and garages were the chief users, although service station building was under way.

While these hand-powered pumps continued to be sold for many years, motor-driven pumps were already on the scene.

Milwaukee Tank Works offered in November, 1915, its "Automatic Filling Station" consisting of a metal cabinet fitted with a hose, a nozzle valve and a large clock-face meter dial. The whole was topped by a tall thin pedestal for the inevitable glass globe, this time lettered "Filtered Gasoline."

Horses, the Standby—Although tank trucks were rapidly moving in, the horse was still on the job, even in large cities. When Union Petroleum Co. published pictures of its new "compounding and distributing station," at Swanson and Mifflin Sts., Philadelphia, one view showed the interior of the stable—containing 21 box stalls.

The payout on tank truck investment might be considerably better, said a 1915 story, except that "a 1,350-gal. truck is delivering today through the same 1½-in or 2-in. pipe and faucet as the 400-gal. tank wagon." Maximum unloading speed was 22.5 gpm. The truck in question was a five-ton Pierce Arrow. Other trucks of the era were Packard, White, and Kissel.

Truck unloading was slow — 15-22 gpm

Some tank trucks unloaded through a length of pipe to a funnel set

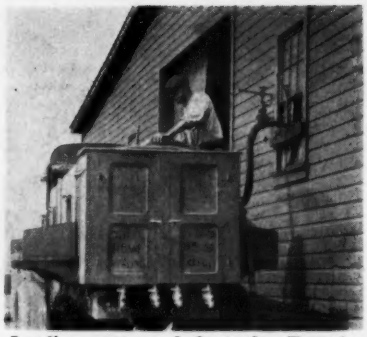
"Many of the equipment makers are now forgotten. Who remembers Holmes, Birmingham, Marnall or Merit lifts?"

(Continued from page 85)

into the underground tank inlet. Others used the more convenient hose. A lot of unloading was still done with buckets.

Pipe or Hose?—Hose was also used for loading trucks at some bulk plants. (They didn't call them bulk plants, though—just "plants.") The hose of that day seems to be of dubious quality. One distributor told of his preference for "tin" pipe (probably galvanized lengths of down spout) over hose for truck unloading.

Hose quickly came into use on station pumps, however. A popular brand was "Triplexd" made by Metal Hose & Tubing Co., Brooklyn, introduced about 1916-17.

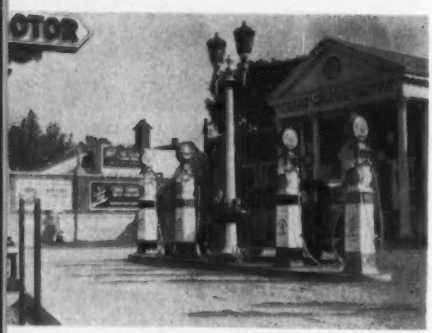


Loading systems before the Twenties were often as casual as this method

You could buy single or double swing joints from A. Y. McDonald in sizes from 1¼ in. to 6 in. Goulds and Blackmer pumps could be had, mostly belt or gear driven. But while meters were available, there was little evidence of their use in oil marketing, except in service station pumps.

And nobody made loading arms. A simple pipe with swing joint, or a hose, served the purpose. More than one plant used a length of galvanized spout as the equivalent of today's loading arm.

Visible pumps were once the rage . . .



. . . But were replaced by clock-face types

Equipment in the Gasoline Age

The motor car boom brought a boom in stations. Before motors fully supplanted hand pumping the "visible" pumps with their glass measuring tanks swept the industry. They were in competition with clock-face dial pumps. Thus in 1926 Wayne advertised a new series of 10-gal. visible pumps (price $125); and a year later Erie brought out a dial pump fitted with interchangeable dial charts bearing precalculated sales totals from 16¢ gal. to 30¢ gal.

Enter Auto Lube—Around 1918 some forgotten genius invented the term "one stop station" and operators hastened to dig grease pits. Sharpsville Boiler Works was one of many firms making a prefab steel housing for pits. At first all were outdoors, as were the timber ramps, known as grease racks.

It was news as late as 1928 when Standard of Indiana added a four-bay, red brick building to one of its Chicago stations "to go into the chassis lube business" at prices ranging from $1 to $1.50 per job.

The First Hoists—The "one-stop stations" now offered a ready market to anyone who could improve on the pit or rack. First attempts at hoisting the car were in the form of gear-, or pulley-driven lifts. Rotary introduced its first hydraulic lift in 1925.

About the same time Weaver offered its first free-wheel lift.

The problem of changing car widths is old too. A story in November, 1930, tells how a Cities Service dealer attached oak planks as inner runways on his lift to handle the American Austin.

Forgotten Brands—Many of the equipment makers are now forgotten. Who remembers Holmes, Birmingham, Marnall or Merit lifts, to mention a few? Or Sharmeter, Doty or Wichita pumps? Or the Lucas Pump & Tool Co., Dayton, with an advertised price of $164.25 for its ½-hp compressor? Or the Ottowa Mfg. Co., Ottowa, Kans., makers of visible pumps, compressors and a unit called an air-water tower?

The "Eco Automatic Airstation" was then a product of the Western Mfg. Co., Oskaloosa, Iowa. They offered two kinds: a hinged-tower, and an enclosed-reel on a raised cement base, surmounted with a glass globe lettered "Air." Both units had a bell signal and a built-in gage, as do the modern units now made by Bennett Pumps, the successor company.

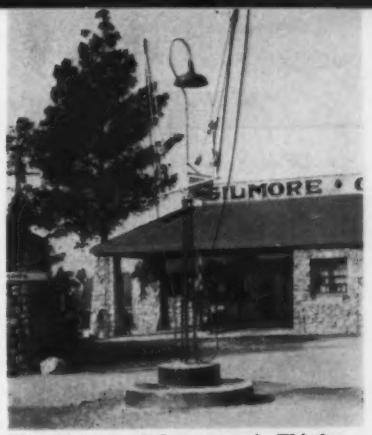
Specialization for Bulk Plants—At the bulk plant, specialized equipment began to show up. Wheaton expanded its line with a series of soft-closing loading valves and "easy-swinging" swing joints. The first remote reading

Recessed lift (1930) was for tidiness

gages were brought out by King-Seeley Corp., Ann Arbor, Mich., called the **K-S Telegage.**

McDonald developed a quick coupler in 1½-in. and 2-in. sizes. Viking offered pumps ranging from 90 to 1050 gpm. Meters were used more widely, but all used clock-face dials. The first explosion-proof motor was offered by Leland. Buckeye emphasized its waterproof fill boxes in 2-in., 2½-in. and 3-in. sizes. Walworth and Jenkins called attention to their heavy-duty valves.

Truck capacities moved up only a little, but mechanically they were a far different piece of machinery. Manufacturers stressed four-wheel brakes, electric lights, and electric starting and ignition systems. The solid tires of 1920 were still around in 1930, but the pneumatics were graduating to ever-larger units.



Hinged-tower air hose came in Thirties

All meters sported clock-face dials

Pump Trends—Fancy pumps in profusion appeared in the late Twenties and early Thirties just before the advent of the computer pump. National Pumps Corp., then in Dayton, designed one with a porcelain enamel cabinet. A curious photo of that period shows an unidentified station in Girard, Pa., equipped with six pumps of unspecified origin, with exteriors entirely of stainless steel. Numerous manufacturers introduced pumps with built-in showcases for merchandise. Even a combination of merchandise display cabinets and pumps as a related group was put on the market.

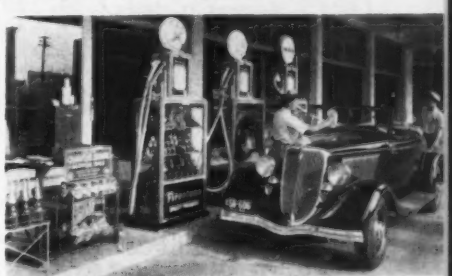
By 1934 computing pumps were on sale, and they revolutionized the gasoline pump industry. No other significant changes in pumps took place until the swing to low pumps, starting about 1947; the increased use of submerged remote systems, in 1952; and the present move to still lower pump designs, with storage, merchandising and accounting features.

Safety and Efficiency Drive—Distribution equipment felt the drive for efficiency and safety. Shand & Jurs advertised in 1932 that 78 companies were then using internal hydraulic safety valves for their tank trucks. Wheaton did a good business in improved gage hatches, tank vents and water drain valves. Bowser, Neptune, Granberg and Pittsburgh sold more meters for loading racks and now began to push them for tank trucks also.

In 1938 Bowser advertised ticket-printing meters and preset meters for tank trucks. Loading arms, counter-balanced or spring-loaded, were developed to speed up loading the larger tank trucks.

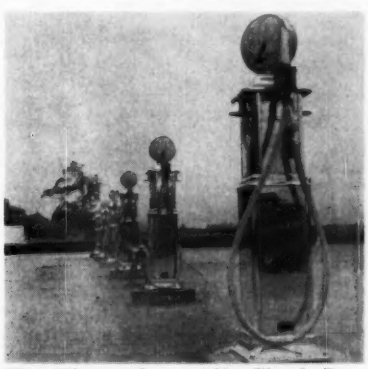
Self-priming centrifugal pumps were first advertised in 1949.

No drastic lift changes appeared until the introduction of the frame contact lift in 1952. But lubrication equipment using power from the station's air supply became universal during the Thirties. By 1938 the emphasis was on lube pumps and containers housed in porcelain cabinets. Overhead lube reels didn't come into general use until after World War II.



Island merchandising hit a peak in the late Thirties with showcase dispensers

Lighting: What's That?—It's no joke to say that the subject of lighting the early-day service stations is shrouded in darkness. Beyond an occasional mention of "bright lights" or a reference to "modern floodlighting," it was a neglected topic until about 1935. In that year Crouse Hinds ran a two-page spread promoting the idea of floodlighting for service stations.



Fleet-Wing station outside Girard, Pa., boasted stainless steel pumps in 1934

An NPN cover in 1935 showed what was evidently a rare instance of an all-night White Rose station. It was also the first published photo of floodlighting arranged to throw a high light volume on the face of the station building.

In the same year appeared a description of Austin's prefab stations built for Sohio. The station had "concealed light troughs" around the outside face of the building.

It wasn't until 1938 that a fixture maker used the term "foot candles" in his advertising, suggesting 5-10 fc at the station entrance and 10-20 fc at the island. In the same year sodium vapor lights were tried at a Skelly station in Chicago, while mercury lights began to appear in a number of places. Outdoor fluorescents didn't show up until 1948.

Since World War II, oil marketers have generally used more automatic accounting machines. And more stations have tire changers, impact wrenches, air and water dispensers, display signs, car washers and tuneup equipment ■

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- Blackmer Pumps
- Erie Pumps and Equipment
- Price Signs
- Repair Parts for all Pumps

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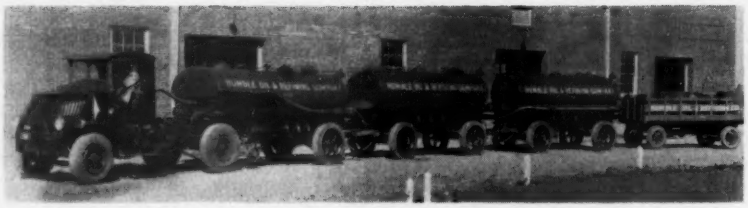


Tank truck trains like this were the pride and joy of Texas and Midcontinent marketers in the late Twenties. The third trailer was used to haul drums

49 Years of Tanks and Trucks

Over-the-road equipment, born about 1910, has grown side by side with modern oil marketing

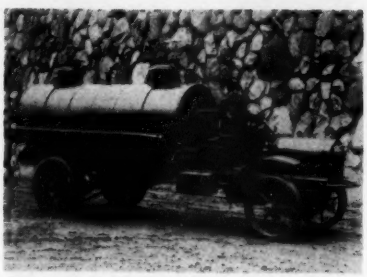
BACK IN 1909 products got to market by barge or tank car, and the horse took it from there. But a year later four Standard Oil companies began experimenting with tank trucks for local distribution. That marked the start of a new era.

As roads improved and better trucks were developed, oil marketers began to see in trucks a cheap and quick way to distribute product. Water and rail held their places—and were later joined by pipelines—as key means of moving products from primary to secondary storage. But trucking was to become an increasingly vital growth factor in oil wholesaling, because no other form of transportation was so flexible or so rapid.

The swing to trucks was hastened by external influences:

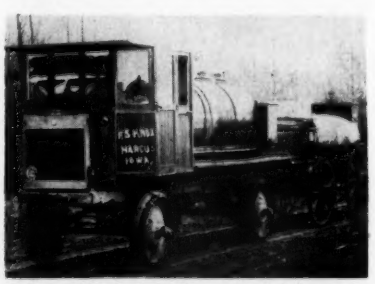
- The World War I ban on tank car shipments, which forced many marketers into over-the-road hauling to get product from refineries.
- The railroad strike of 1919—which some marketers said was forcing them "reluctantly" to the use of trucks.
- The rail transportation crisis of World War II, when the government put the red light on tank car shipments in 20 Midwest states.

Payloads have swelled since the days of 350-400-gal. riveted tanks. Generally these were carried on wagons and trucks; some marketers used 150-gal. tanks on Ford roadsters. The advent of tank welding in 1913 cut tank weight almost in half and boosted payload to 600-650 gal. By 1925, tandem rear axles on straight jobs and trailers had boosted double bottom capacity to 6,200 gal. The coming of aluminum tanks in 1929 and the aluminum chassis in 1930 allowed marketers to cut deadweight by as much as 50% and to boost payload 20%. Today 7800-gal. loads are standard for some semitrailers.



Early tanks were built like railroad equipment and had no place for such luxuries as enclosed cabs. This White 5-ton truck was used by Standard Oil Co. of New York before World War I

By 1915 you could get a double bottom using a Ford roadster with a 150-gal. tank added. For more payload, you could convert your 300-500-gal. horse-drawn equipment into a full trailer



Jeffery Quads had four-wheel drive and were frequently hitched up to old tank wagons. Peformance was so poor it gave the trailer concept a black eye for years. This picture was made in 1916

Here's the best way to tell customers,

"It Pays To Change Oil Every 1,000 Miles"

Display Motor Oil on the pump island . . .

Give Customers Better, Faster Service with a

SELOIL® Cabinet

Display motor oil at the pump island where your customers can see and buy. It's a constant reminder to you and your customers that it pays to change oil every 1,000 miles.

And to help you sell more motor oil . . . help you speed up service on the driveway, there's a complete line of SELOIL Cabinets . . . the correct model for every service station need.

[redacted] have stainless steel guard shields on channels, stainless steel sliding door at drain chute, and removable display section at front to give easy access to waste can receptacle.

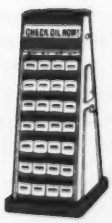
[redacted] give the greatest amount of display at the lowest cost possible . . . built to give dependable service for years.

[redacted] display motor oil on both sides and are equipped to drain and store can cutters and empty cans. Finish is two coats of high gloss enamel baked on Bonderized steel. Overnight locking covers and doors are controlled by a single lock. Write for full information today.

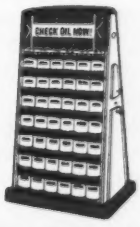
DELUXE

Lowboy Model 56

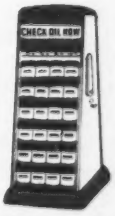
Displays 56 quarts of motor oil.
Base size 22" x 25". Height 56".
The ideal match for lowboy pumps.



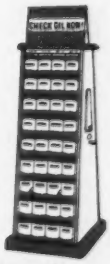
ECONOMY MODEL EC-28
Displays 56 cans. Base 22" x 25". Height 54".



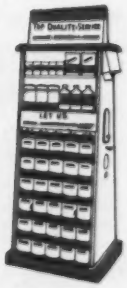
ECONOMY MODEL EC-42
Displays 84 cans. Base 30" x 25". Height 54".



DELUXE MODEL 48
Displays 48 cans. Base 22" x 25". Height 48".



DELUXE MODEL 72
Displays 72 cans. Base 22" x 25". Height overall 66".



DELUXE TBA MODEL 60
Displays 60 cans. 4 shelves at top. Base 26½" x 29". Height overall 71".

Modern Metal Products Company

[redacted]

Equipment

Big Design Changes Ahead for

An NPN panel of equipment experts says evolution will touch all equipment, but will bear most heavily on the station itself. The effect on tank trucks and bulk plants will be less marked, say the panelists. Here are their answers to 10 key equipment questions

A. F. LARBERG
Skelly Oil Co.

Q Mr. Larberg, what are the most probable future changes in equipment?

A Truck tanks smaller than 1,000 gal. will disappear. Two unloading pumps operated by a power take-off will be more or less standard on most truck tanks. There might be a trend to centrifugal in place of rotary pumps at bulk plants; and to submerged pumps for underground bulk plant storage.

At stations remote systems will be used extensively and it isn't unreasonable to assume that the conventional pedestal or pump on an island may someday be replaced with all underground service facilities, either flush with the drive or overhead. Direct drive and rotary compressors are coming on the market in competition with belt-driven units.

Q What trends do you foresee in station building?

A Third bays should become more popular to provide space for tuneup and minor repairs. At the same time, for outlying locations with heavy highway travel, we may see stations with no service bays, but with large frontage, spacious driveways and high-speed approaches.

R. A. NILES
Standard Oil Co. (Ind.)

Q Mr. Niles, what factors do you think will influence station design?

A Local regulations, as well as public opinion, are opposed to multiplicity of stations because of their great similarity of design both in building and in property layout. As a result we'll see more larger all-service outlets and the gradual elimination of marginal locations.

There is also a growing feeling that the island where the customer is captive ought to be developed as the major point of sale, with the building itself receding to a point of service only for both customer and car.

Q Will the oil industry swing to lower service station pumps?

A There is a definite trend toward lower pumps, although not because of industry or public demand. Rather it stems from the desire of manufacturers to lower the price and provide equipment that may also have some added sales appeal, plus lower maintenance cost.

NPN Panel Prediction

Stations, Pumps, Lighting

Q What's ahead in station lighting?

A There may be substantial changes in the next 10 years, forced by public reaction. Station lighting, except at the islands, may go to low-fixture spread-lighting, hidden with perimeter hedges or something of that nature. Perhaps, as an example, the kind of fixtures used on some airstrip installations.

Q Will tank trucks continue to get larger?

A I doubt if the trend to larger tank trucks will be as sharp as it has in the past. We have reached the happy medium between public acceptance—the voice of the public as expressed through municipal regulation; the effect of heavy equipment on streets and roadways from wear, noise and fumes standpoints; and from traffic congestion—and the other side of the picture, which is the minimization of distribution cost.

V. R. McCOY
D-X Sunray Oil Co.

Q Mr. McCoy, what's the vending machine outlook?

A It may be that more emphasis will be placed on the need for either complete vending machine service or the incorporation of a restaurant with the service station building. I further feel that more importance will be attached to the need for a lounge area in the building, for the comfort of the customer during a quick oil change, lubrication or wash job.

Q Do you expect the preset pump to come into general use?

A I see nothing wrong with a flow control device to handle presetting on product delivery. I believe, however, that the "fill-er-up" objective must remain.

Q Will the industry always use the same kind of lifts?

A We may see a more pronounced line drawn between mechanical repair and the traditional oil change and lubrication. The latter may be done from "topside" in the car of the future, which may have self-contained jacking units for tire changing.

C. F. REINHARDT
Phillips Petroleum Co.

Q Mr. Reinhardt, is there any general trend in tools and equipment?

A Design of the many tools used by the industry will be determined more by "function to be performed" than heretofore. This will be reflected by changes in terminals, bulk stations, transports as well as the service station ahead. The proper evaluation of "function" will result in aesthetic advancement. Service elements will be changing continuously.

■

Pepsi-Cola matches your station colors with custom-colored vending machines

Your own distinctive station colors are one of your greatest assets—and now you can have them duplicated in a custom-colored Pepsi-Cola drink dispenser. You benefit because complete harmony of color throughout your station means quicker, easier recognition by motorists. And because the Pepsi-Cola vending machine is of modern, streamlined design it makes a smart up-to-date impression that builds maximum impulse sales. Contact your local Pepsi-Cola bottler—he will help you take advantage of this opportunity to maintain a uniform color scheme and bring in extra profits.

PEPSI-COLA

The Light refreshment

National Accounts and Syrup Sales Dept., Pepsi-Cola Company, 3 West 57th Street, New York 19, New York

'Sweet Out of Line'

The joke along the East and Gulf Coast among the traders last month was that everyone was singing "Sweet Out of Line." Heating oil is having its best winter in years—domestically that is—and FOB Gulf cargo prices went "out of line" with contract prices for No. 2 fuel at New York harbor.

Prices and demand for distillates on Feb. 1 are upside-down from a year ago. Last year refinery runs were 7.5-million b/d, demand disappointing, and prices in a sad slump. On the East Coast just a year ago to the day, Esso Standard made a general cut of 0.1¢ to 0.6¢ gal. in its distillate fuel prices. Esso had to recognize, as did other suppliers, the hard-driving downward pressure of discount offerings from the Gulf.

This winter it's been the other way around. Spot prices at the Gulf have been pushing hard in the other direction. Even though refiner runs are higher than a year ago, demand has paced supply in many areas, with open market offerings commanding premiums. Traders said in January that Gulf spot offerings at one time trailed New York harbor cargo prices by almost 1¢ gal.

● Trouble Ahead in Detroit?

Detroit gasoline and distillate prices, under stress at both wholesale and retail throughout 1958, look as if they could be in for an even rougher time in February. And the fault may lie with strength shown in residual fuel. Cutoff of gas supply to customers on interruptible contracts, effective Feb. 2, has created a need for an estimated additional 30-million gal. of resid for remainder of the heating season.

If refiners up their runs to get this product, there likely would be a local surplus of clean products. This could bring on a price-cutting contest to get rid of late-season distillate and top-heavy gasoline stocks.

Gasoline prices late in January still dawdled at least 2¢ gal. below "normal" of better days.

Meanwhile, refiners' attempts to raise their prices for spot distillates flopped for the season because of long-term ceiling con tracts made last spring.

● Distillate Demand Embargoes a Pipeline

It took a hard, cold December to remind Chicago users of Great Lakes Pipe Line that shipping time from Tulsa to Franklin Park really is more than 24 hours. Normally Oklahoma shippers are permitted to put light products into the line one day and withdraw them at terminals as soon as paper work is cleared. But December distillate withdrawals ran so high that an embargo had to be placed on northern liftings early in January.

This meant that a shipper tendered his material and then waited until normal transit time had elapsed before he could make a withdrawal. A few refiners who overdrew December inputs found themselves out of product at the "Park" just when jobbers wanted increased amounts in January's zero spell. Result is that some shippers say they are planning more careful timing of their long-range needs in the future.

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FOR ORIGINAL EQUIPMENT AND REPLACEMENT

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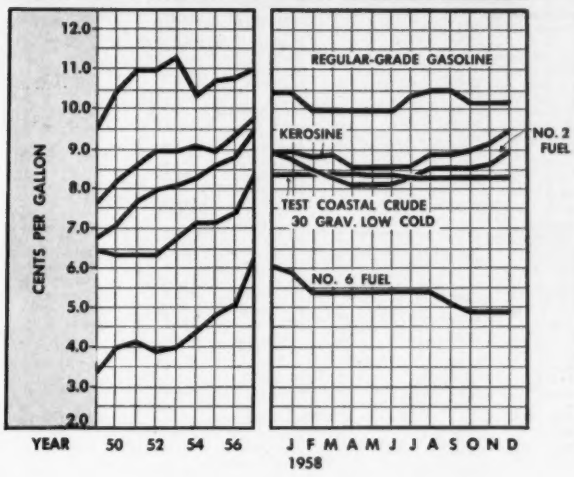
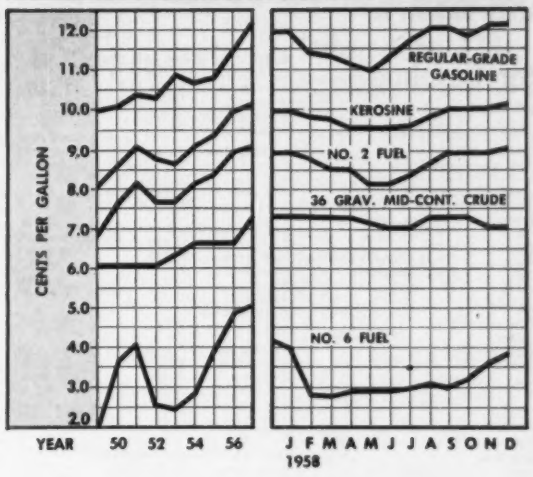
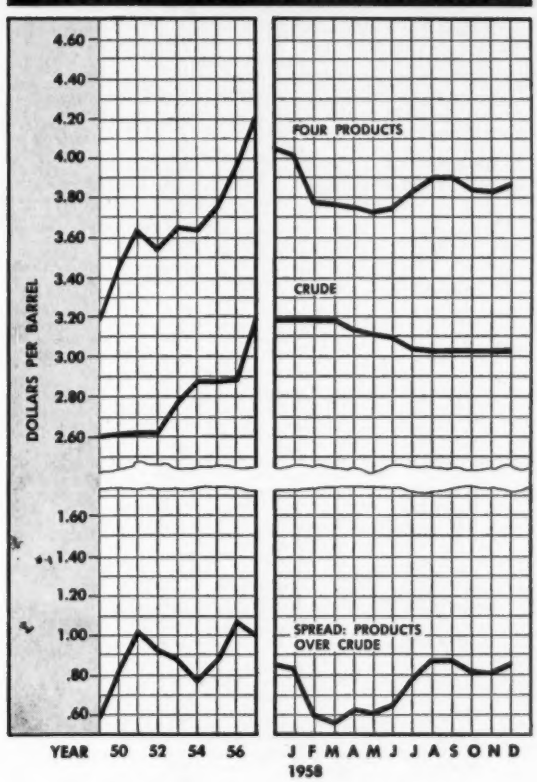


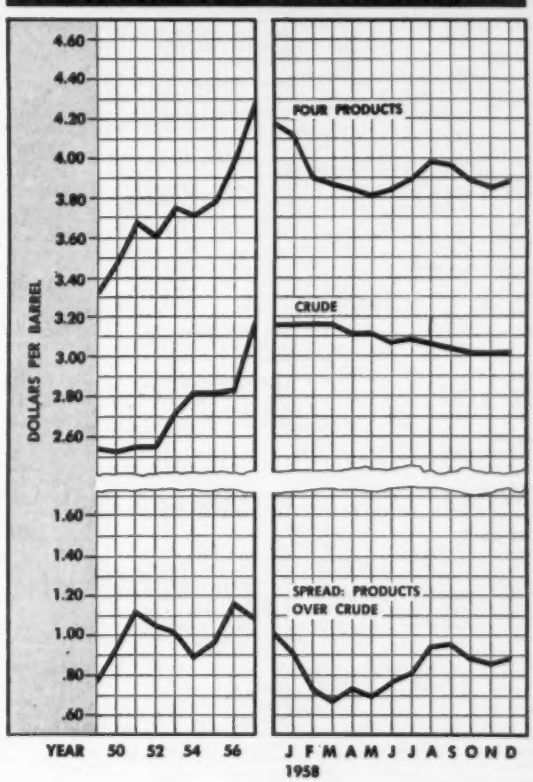
PRODUCTS VS. CRUDE MID-CONTINENT



PRODUCTS VS. CRUDE U.S., CALIFORNIA EXCLUDED



PRODUCTS VS. CRUDE U. S., CALIFORNIA INCLUDED



Average prices for crude oil, and four principal refined products (gasoline, kerosine, light fuel, heavy fuel)—7 refinery markets and 7 crude producing areas, east of California.

Average prices for crude oil, and four principal refined products (gasoline, kerosine, light fuel, heavy fuel)—8 refinery markets and 7 crude producing areas, including California.

Refinery and Terminal Prices

All prices are supplied by *Platt's Oilgram Price Service*, NPN's associated publication. Arrows indicate upward or downward movement of the price preceding the arrow. Prices as of January 12. Last previous listing: December 22.

Motor Gasoline

Gulf Coast Cargoes—
100 oct. prem.....12.625–14
99 oct. prem.....12.25–13.125
98 oct. prem.....11.75–12.75
97 oct. prem.....11.625–12.625
95 oct. prem.....11.25–12.25
93 oct. prem.....10.75–11.75
92 oct. prem.....10.5–11.5
90 oct. prem.....10.25–12
81 oct. reg.....9.875–10.625
84 oct. reg.....9.5–10.5
83 oct. reg.....9.375–10.375
79 oct. reg.....9.125–10.125
70–72 oct. M.....9–10

Baltimore, Md.
92 oct. reg.....12.3

Boston, Mass.
98 oct. prem.....14.5–18.2
96 oct. prem.....14.5–18.2
92 oct. reg.....12–15.7
90 oct. reg.....12–15.7

Buffalo, N. Y.
98 oct. prem.....18.6
92 oct. reg.....15.1

Charleston, S. C.
97 oct. prem.....14.4–14.65
95 oct. prem.....14.15–14.65
90 oct. reg.....12.4–12.65
87 oct. reg.....12.15–12.65

Chicago, Ill.
99 oct. prem.....14
98 oct. prem.....13.75
97 oct. prem.....13.25▲
92 oct. prem.....11.625–11.75
91 oct. reg.....11.5
89 oct. reg.....11.25

Detroit, Mich.
98 oct. prem.....15.5
92 oct. reg.....13.25–13.5

Houston, Tex.
97 oct. prem.....15.45–16.25
do barges.....15.2
90 oct. reg.....12.7–12.75
do barges.....12.7

Jacksonville, Fla.
97 oct. prem.....15.4–16.4
90 oct. reg.....13.4–14.15

Miami, Fla.
97 oct. prem.....15.4
90 oct. reg.....13.4

Minneapolis-St. Paul, Minn.
99 oct. prem.....15.93▼–16.06
89 oct. reg.....12.93▼–13.06

Mobile, Ala.
97 oct. prem.....15.1–16.1
90 oct. reg.....13.1

Norfolk, Va.
98 oct. prem.....15.05
96 oct. prem.....15.05
92 oct. reg.....13.05
90 oct. reg.....13.05

Pensacola, Fla.
97 oct. prem.....15.2
90 oct. reg.....13.2

Philadelphia, Pa.
98 oct. prem.....17.3
92 oct. reg.....14.5–14.8

Port Everglades, Fla.
97 oct. prem.....14.8–16.4
90 oct. reg.....12.8–13.4

Savannah, Ga.
97 oct. prem.....14.5–16.4
95 oct. prem.....14.25
90 oct. reg.....12.5–13.4
87 oct. reg.....12.25

Tampa, Fla.
97 oct. prem.....14.7–16.3
90 oct. reg.....12.7–13.3

Wilmington, N. C.
97 oct. prem.....14.2
95 oct. prem.....14.2
90 oct. reg.....12.15–13.95
87 oct. reg.....12.15

Okla. (Okla. Shpt.)
99 oct. prem.....15.12–15.625
89 oct. reg.....12.375–12.625

Okla. Group 3 (Northern Shpt.)
99 oct. prem.....14.5▼–15.5
89 oct. reg.....11.5▼–12.375

N. Tex. (Tex. & New Mex. Shpt.)
97 oct. prem.....15.125–16.3
95 oct. prem.....15.125–15.55
88 oct. reg.....12.375–14.25
86 oct. reg.....12.375–13.75
84 oct. reg.....12.375–13.5▼

W. Tex. (Tex. & New Mex. Shpt.)
97 oct. prem.....15.625–15.75
95 oct. prem.....14.875–15.5
88 oct. reg.....13.25–13.75
86 oct. reg.....13–13.25
84 oct. reg.....13

E. Texas (Truck transport lots)
97 oct. prem.....15–16.25▲
88 oct. reg.....12.625▼–13.25▼
86 oct. reg.....12.625▼–13.75
84 oct. reg.....12.625▼–13.25

Cent. W. Tex. (Truck transport lots)
97 oct. prem.....15.875
95 oct. prem.....15.125
88 oct. reg.....14
86 oct. reg.....13.5
84 oct. reg.....13.25
60 oct. M & below.....13.25

Ark. (For shpt. to Ark. & La.)
99 oct. prem.....15
94 oct. reg.....13.25
92 oct. prem.....12.75
89 oct. reg.....12
86 oct. reg.....11.75
84 oct. reg.....11.5

Kans. (For Kans. destinations only)
99 oct. prem.....15.25–15.625
89 oct. reg.....12.375–12.625

Western Penna.—Bradford-Warren
98 oct. prem.....14.75
93 oct. reg.....13.5

Oil City
98 oct. prem.....14.75–15
93 oct. reg.....13.25

Ohio—Quotations by Sohio for delivery to Ohio points
90 oct. reg.....13.6

Central Michigan
100 oct. prem.....16.25
98 oct. prem.....15.25–16
92 oct. reg.....13.25–13.75
91 oct. reg.....13.25

California—Los Angeles District Rack:
98 oct. prem.....14▲–15.7
94 oct. prem.....13▲–14.6
88 oct. reg.....12▲–12.6
84 oct. reg.....11.5▲–12.6

Tank Car:
98 oct. prem.....14▲–15.7
94 oct. prem.....13▲–14.6
88 oct. reg.....12▲–12.6
84 oct. reg.....11.5▲–12.6

Tank Truck (400 or more)
98 oct. prem.....20.9
88 oct. reg.....17.4

San Francisco District Tank Truck (400 gal. or more)
98 oct. prem.....21.4
88 oct. reg.....17.9

Distillates & Fuels

Gulf Coast Cargoes
41-43 w.w. kero..10.125▲–10.25▲
No. 2 fuel.....9.625▲–9.875▲
53-57 d.i. gas oil..10▲–10.125▲
48-52 d.i. gas oil..9.875▲
43-47 d.i. gas oil..9.75▲
Bunker C fuel....$2.00–2.10
Bunker C fuel max. 1% sulf.....$2.25

Albany, N. Y.
Kerosine, No. 1..11.4
No. 2 fuel.....10.9
Diesel oil, shore plants.....11.3
No. 4 fuel.....$3.56–4.42
No. 6 fuel, no sulf. guar.....$2.55

Baltimore, Md.
Kerosine, No. 1..11.2
do barges.....10.95
No. 2 fuel.....10.7
do barges.....10.45
Diesel oil, shore plants.....11.1
No. 4 fuel.....$3.39
do barges.....$3.33
No. 5 fuel.....$2.97
do barges.....$2.91
No. 6 fuel, no sulf. guar.....$2.48
do barges.....$2.45
Light Diesel, bunkers.....$4.52
Heavy Diesel, bunkers.....$4.13
Bunker C, bunkers.....$2.45

Baton Rouge, La.
Kerosine, No. 1..10.8
No. 2 fuel.....10.4
Diesel oil, shore plants.....
No. 5 fuel.....$2.72
No. 6 fuel, no sulf. guar.....$2.13
do barges.....$2.10
Light Diesel, bunkers.....$4.36
Heavy Diesel, bunkers.....$4.11
Bunker C, bunkers.....$2.10

Boston, Mass.
Kerosine, No. 1..11.3
No. 2 fuel.....10.8
Diesel oil, shore plants.....11.2
No. 5 fuel.....$3.42
No. 6 fuel, no sulf. guar.....$2.54
do barges.....$2.46
Light Diesel, bunkers.....$4.56
Bunker C, bunkers.....$2.46

Buffalo, N. Y.
Kerosine (a).....12.55
Diesel fuel (a).....12.55
No. 2 fuel (a).....12.15
No. 5 fuel.....8.65
No. 6 fuel.....8.15
(a) Prices of some sellers to bulk commercial consumers are 0.15¢ higher

Charleston, S. C.
Kerosine, No. 1..11.5
No. 2 fuel.....11.2
Diesel oil, shore plants.....11.3
No. 5 fuel.....$2.84
No. 6 fuel, no sulf. guar.....$2.45
do barges.....$2.42
Light Diesel, bunkers.....$4.55
Bunker C, bunkers.....$2.42

Chicago, Ill.
Range oil, No. 1..11▲–12.85
No. 2 fuel.....10.25▲–11.85
No. 5 fuel, low sulfur.....8.7
No. 5 fuel, high sulfur.....8.65▲–8.75
No. 6 fuel, low sulfur.....7.65
No. 6 fuel, high sulfur.....7.4▲–7.5

Cleveland, Ohio
No. 5 fuel.....10*
No. 6 fuel.....9.2*
*Delivered Cleveland

Corpus Christi, Tex.
No. 6 fuel, no sulf. guar.....$2.13
do barges.....$2.10
Bunker C, bunkers.....$2.10

Detroit, Mich.
Diesel oil.....12.25
No. 1 fuel.....12.25–12.75▲
No. 2 fuel.....11.25–11.75▲
No. 5 fuel.....8.85
No. 6 fuel.....8.35

Houston, Tex.
Kerosine No. 1...10.875▲–11
do barges.....10.125▲
No. 2 fuel.....10.125▲–10.75
do barges.....9.875▲
Diesel oil, shore plants.....10.75▲–10.95
No. 6 fuel, no sulf. guar.....$2.13–2.30
do barges.....$2.10
Light Diesel, bunkers.....$4.41
Heavy Diesel, bunkers.....$4.16▲
Bunker C, bunkers.....$2.10

Jacksonville, Fla.
Kerosine, No. 1..12▲
No. 2 fuel.....11.8▲
Diesel oil, shore plants.....11.8▲
No. 6 fuel, no sulf. guar.....$2.45
do barges.....$2.42
Light Diesel, bunkers.....$4.956▲
Bunker C, bunkers.....$2.42

Miami, Fla.
Kerosine, No. 1..12.1
Diesel oil, shore plants.....11.9▲
No. 6 fuel, no sulf. guar.....$2.43
do barges.....$2.40
Light Diesel, bunkers.....$4.914▲
Bunker C, bunkers.....$2.40

Minneapolis/St. Paul, Minn.
Range oil, No. 1..11.68▲–12.8
No. 2 fuel.....10.93▲–12
No. 5 fuel, high sulfur.....8.9–9.4
No. 6 fuel, high sulfur.....7.9–8.7

Mobile, Ala.
Kerosine, No. 1..11.5▲
No. 2 fuel.....11.3▲
Light Diesel, bunkers.....$4.525

New Haven, Conn.
Kerosine, No. 1..11.2
No. 2 fuel.....10.7
Diesel oil, shore plants.....11.1
No. 4 fuel.....$3.58
No. 6 fuel, no sulf. guar.....$2.50
do barges.....$2.47
Light Diesel, bunkers.....$4.54▲
Bunker C, bunkers.....$2.47

New Orleans, La.
Kerosine, No. 1..10.8
No. 2 fuel.....10.4
Diesel oil, shore plants.....10.7
No. 5 fuel.....$2.72
No. 6 fuel, no sulf. guar.....$2.13
do barges.....$2.10
Light Diesel, bunkers.....$4.41
Heavy Diesel, bunkers.....$4.16
Bunker C, bunkers.....$2.10

New York Harbor
Kerosine, No. 1..11.2
do barges.....11
No. 2 fuel.....10.7
do barges.....10.5
Diesel oil, shore plants.....11.1
No. 4 fuel.....$3.36–4.16
do barges.....$3.33–4.08
No. 5 fuel.....$2.87
do barges.....$2.84
No. 6 fuel, no sulf. guar.....$2.40–2.48
do barges.....$2.37–2.45
No. 6 fuel, max. 1% sulf.....$2.65▼–2.78
do barges.....$2.62▼–2.75
Light Diesel, bunkers.....$4.52
Heavy Diesel, bunkers.....$4.13
Bunker C, bunkers.....$2.37–2.45

Norfolk, Va.
Kerosine, No. 1..11.2
No. 2 fuel.....10.7
Diesel oil, shore plants.....11.1
No. 6 fuel, no sulf. guar.....$2.50
do barges.....$2.44
Light Diesel.....$4.52
Heavy Diesel, bunkers.....$4.13
Bunker C, bunkers.....$2.44

Pensacola, Fla.
Kerosine, No. 1..11.6▲
No. 2 fuel.....11.4▲
Diesel oil, shore plants.....11.4▲

Philadelphia, Pa.
Kerosine, No. 1..11.2
do barges.....10.95
No. 2 fuel.....10.7
do barges.....10.45
Diesel oil, shore plants.....11.1
No. 4 fuel.....$3.53
No 5 fuel.....$3.33
No. 6 fuel, no sulf. guar.....$2.40–2.48
do barges.....$2.37–2.45
No. 6 fuel, max. 1% sulf.....$2.60▲–2.68▲
do barges.....$2.57▲–2.65▲
Light Diesel, bunkers.....$4.52
Heavy Diesel, bunkers.....$4.13
Bunker C, bunkers.....$2.37–2.45

Key Crude Oil Prices (As of January 15)

United States
California
Wilmington, 31 gravity $3.23–3.31
Texas
West Texas sour, 36 gravity 2.79–2.94
Mid-Continent
Oklahoma sweet, 36 gravity 2.77–3.00
Williston Basin
North Dakota, 36 gravity 2.62–2.87
Pennsylvania
Bradford, flat 3.90
Canada
Alberta
Pembina, flat 2.52
Venezuela
Bachaquero heavy, FOB Las Piedras, flat 1.78–1.93
Middle East
Persian Gulf, FOB Ras Tanura
Arabian, 34 gravity 2.08

Port Everglades, Fla.
Kerosine, No. 1 . . 11.65▲–11.9
No. 2 fuel . . . . . 11.4▲–11.7
Diesel oil, shore plants . . . . . 11.4▲–11.7
No. 6 fuel, no sulf. guar. $2.43
do barges $2.40
Light Diesel, bunkers 4.914
Bunker C, bunkers $2.40
Portland, Me.
Kerosine, No. 1 . . 11.4
No. 2 fuel 10.9
Diesel oil, shore plants 11.3
No. 6 fuel, no sulf. guar. $2.54
do barges $2.46
Bunker C, bunkers $2.46
Providence, R. I.
Kerosine, No. 1 . . 11.3
No. 2 fuel 10.8
Diesel oil, shore plants 11.2
No. 5 fuel $3.42
No. 6 fuel, no sulf. guar. $2.53
do barges $2.46
No. 6 fuel, max. 1% sulf. . . . . $2.83▼–2.96
do barges . . . . . $2.76▼
Bunker C, bunkers $2.46
Savannah, Ga.
Kerosine, No. 1 . . 11.7▲–12
No. 2 fuel . . . . . 11.5▲–11.8
Diesel oil, shore plants . . . . . 11.5▲–11.8
No. 5 fuel $3.01
No. 6 fuel, no sulf. guar. $2.45
do barges $2.42
Light Diesel, bunkers . . . . . $4.83▲
Heavy Diesel, bunkers $3.95
Bunker C, bunkers $2.42
Tampa, Fla.
Kerosine, No. 1 . . 11.55▲–11.8
No. 2 fuel . . . . . 11.3▲–11.6
Diesel oil, shore plants . . . . . 11.3▲–11.6
No. 6 fuel, no sulf. guar. $2.37
do barges $2.34
Light Diesel . . . . . $4.872▲
Bunker C, bunkers $2.34
Toledo, Ohio
Kerosine . . . . . 12.8▲
Diesel oil . . . . . 11.9▲
No. 1 fuel . . . . . 12.55▲–12.9
No. 2 fuel 11.55–11.9
No. 5 fuel . . . . . 8.5▲–8.8
No. 6 fuel . . . . . 8▲
Wilmington, N. C.
Kerosine, No. 1 . . 11.4–11.5
No. 2 fuel 11.1–11.2
Diesel oil, shore plants 11.2–11.3
No. 4 fuel $3.34
No. 5 fuel $2.85
Light Diesel, bunkers $4.56
Okla. (Okla. shpt.)
42-44 w.w. kerosine . . . . . 10.625▲–10.75
58 & above d.i. Diesel . . . . . 10.375▲
No. 1 fuel . . . . . 10.25▲–10.5▲
No. 2 fuel . . . . . 9.5▲–9.75
No. 6 fuel . . . . . $1.75–2.20▲
Okla. Group 3 (Northern shpt.)
42-44 w.w. kerosine . . . . . 10.5▲–10.75
58 & above d.i. Diesel . . . . . 10.12▲–10.5
No. 1 fuel . . . . . 10.25▲
No. 2 fuel . . . . . 9.5▲
No. 6 fuel . . . . . $1.70–1.80▲
N. Tex. (Tex. & New Mex. shpt.)
42-44 w.w. kerosine 10–11.25
58 & above d.i. Diesel . . . . . 10.25▲–11.2▲
No. 6 fuel $1.75–2.50
W. Tex. (Tex. & New Mex. shpt.)
42-44 w.w. kerosine 11–11.25
58 & above d.i. Diesel 10.75
No. 1 fuel 10.25–11
No. 2 fuel 10
No. 6 fuel $1.80–2.50
E. Tex. (Truck transport lots)
42-44 w.w. kerosine 10–10.6
58 & above d.i. Diesel 9.5–10.5
No. 2 fuel 9.75
No. 6 fuel . . . . . $1.70▲–2.50
Cent. W. Tex. (Truck Transport lots)
42-44 w.w. kerosine 11
58 & above d.i. Diesel 10.75
No. 6 fuel $2.60
Kansas (For Kans. destinations only)
42-44 w.w. kerosine . . . . . 10.75▲–10.875
52 & below d.i. Diesel . . . . . 10.5▲
58 & above d.i. Diesel . . . . . 10.5▲
No. 1 fuel . . . . . 10.375▲–10.75
No. 2 fuel . . . . . 9.75▲–10▲
No. 5 fuel $1.70
No. 6 fuel . . . . . $1.75▲–1.90
Ark. (For shpt. to Ark. & La.)
42-44 w.w. kerosine 11.375
Tractor fuel 11.5
52 & above d.i. Diesel 10.5
58 & above d.i. Diesel 10.875
No. 2 fuel 10.5
No. 4 fuel $2.45
No. 5 fuel $2.25
No. 6 fuel 2.10
Western Penna.—Bradford-Warren
Kerosine 12–12.25
55 cetane Diesel . . 11.75–12
No. 1 fuel 11.75
No. 2 fuel 11.25–11.5
36-40 gravity fuel. 10.75–11.25
Oil City
Kerosine 12.5
50 cetane Diesel . . 11.5
No. 1 fuel 11.75
No. 2 fuel 11.5
Pittsburgh
Kerosine 11.95–13
50 cetane Diesel . . 11.45–11.75
No. 1 fuel 11.7–12
No. 2 fuel 11.45–12
36-40 gravity fuel. 10.75
Central Michigan
Range oil, kerosine 12.5–13.5
P. W. distillate . . . 13.6
No. 2 fuel 11.5–13
U. G. I. gas oil . . . 11
No. 5 fuel . . . . . 9.1▲–9.2▲
No. 6 fuel . . . . . 8.35▲–8.45▲
Ohio Quotations for Sohio for delivery to Ohio points
Kerosine 13.55–14.11
No. 1 fuel . . . . . 13.35–13.9▲
No. 2 fuel . . . . . 12.35–12.9▲
California—Los Angeles Dist. Rack:
Stove dist. PS 100 15
Diesel fuel PS 200 . . . . . 13.5▲
Light fuel PS 300 . . . . . $2.80
Heavy fuel PS 400 . . . . . $2.15–2.35
Tank Car:
40-43 ww. kerosine . . . . . 15.8▲
Stove dist. PS 100 . . . . . 15.5▲
Diesel fuel PS 200 . . . . . 10–13.5
Light fuel PS 300 . . . . . $2.80
Heavy fuel PS 400 . . . . . $2.15–2.35
Tank Truck (400 gal. or more)
40-43 w.w. kerosine 18.8
Stove dist. PS 100 . . . . . 15.5
Diesel fuel PS 200 14
San Francisco Dist.
Tank Car:
41-43 w.w. kerosine 15.8
Stove dist. PS 100 . . . . . 15.5
Diesel fuel PS 200 14
Light fuel PS 300 . . . . . $2.85–3.03
Heavy fuel PS 400 . . . . . $2.40–2.58
Tank Truck (400 gal. or more)
40-43 w.w. kerosine 19.3
Stove dist. PS 100 16
Diesel fuel PS 200 . . . . . 14.5
Pacific Coast
Ships' bunkers, or deep tank lots
San Pedro, Calif.
Diesel—Ps 200 . . $4.96
Bunker C—PS 400 . . . . . $2.10
San Francisco, Calif.
Diesel—PS 200 . . $5.17
Bunker C—PS 400 . . . . . $2.15
Seattle, Wash.
Diesel—PS 200 . . $5.42
Bunker C—PS 400 . . . . . $2.50
Mexico
Ships' bunkers: US dollars per bbl. of 159 liters.
Guaymas
Diesel . . . . . $5.89▼
Bunker C $3.20
Manzanillo
Diesel . . . . . $5.42▼
Bunker C $3.20
Minatitlan
Diesel . . . . . $4.41▼
Bunker C $2.15
Salina Cruz
Diesel . . . . . $5.42▼
Bunker C $3.20
Tampico
Diesel . . . . . $4.41▼
Bunker C $2.15
Vera Cruz
Bunker C $2.15

At most Atlantic Coast points prices of some sellers for distillate fuels in bulk commercial consumers are 0.15¢ higher than prices shown.

Natural Gasoline

Prices are to blenders on freight basis shown; shipments into tanks cars or pipelines may originate in any Mid-Continent district. Prices on basis of last sale unless otherwise designated.

FOB Group 3
Grade 26-70
4.5¢

FOB Breckenridge, Tex.
Grade 26-70
4¢

LP-Gas

Producers contract prices, tank cars
New York Harbor . . . . . 10.05 –10.3▲
Philadelphia . . . . . 9.8▲
Toledo . . . . .
Houston 5.5
Oklahoma Group 3 . . . . . 5.5
Baton Rouge 5.875–6.125
New Orleans 6.125
(*) Truck transport posting of one seller 10.05¢ gal.

Lubricating Oils

Western Penna.
Viscous Neutrals—No. 3 Col. Vis. at 70° F.

200 vis. (180 at 100°) 420 to 425 flash.
25 p.t. 21

150 vis. (143 at 100°) 400 to 405 flash.
25 p.t. 19

Bright stocks
145 to 155 vis. at 210, No. 3 Co.
25 p.t. 22

Cylinder stocks
600 s.r. filterable . . 15
650 s.r. 16
600 flash 17
630 flash 18

Mid Continental
FOB Tulsa basis, for domestic shipment only, bright stock, vis. at 210° neutrals, vis. at 100° 0-10 p.p.

Bright Stock—Conventional
200 vis. D
10–25 p.p. 23
150-160 vs. D
0-10 p.p. 21
10-25 p.p. 20.5
120 vs. D
0-10 p.p. 20

Bright Stock—Solvent
150-160 vis.
0-10 p.p., 95 v.i. . 23–24

Neutral Oils—Conventional—Pale Oils
60-85 vis.
No. 2 col. 14.75

95-110 vis.
No. 2 col. 15
150 vis. No. 3 col. 16.5
180 vis. No. 3 col. 16.75
200 vis. No. 3 col. 17
250 vis. No. 3 col. 17.5
280 vis. No. 3 col. 17.75
300 vis No 3 col. 18

Neutral Oils—Solvents—95 v.i.
170-180 vis. 19.25–20.25
200-210 vis. 19.5–20.5
300 vis. 20.5–21.5

Cylinder Stocks
600 s.r. olive green 17.5

Gulf Coast
Solvent Refined Oils from Mid-Continent grade crude; FOB ship at Gulf for export.

Bright Stock, vis. at 210
150-160 vis.
0-10 k.t., 95 v.i. . 24

Neutral Oils—Vis. at 100; 95 v.i. 0-10 p.t.
100 vis. 20
200 vis. 20.5
300 vis. 21.5
500 vis. 22.5

South Texas
Vis. at 100° F., FOB S. Tex. refineries for domestic and/or export shipment.

Pale Oils
100 vis. No. 1½-2½ col. 15.5
200 vis. No. 2-3 cols. 17
300 vis. No. 2-3 col. 17.5
500 vis. No. 2½-3½ col. 18
750 vis. No. 3-4 col. 18.25
1200 vis. No. 3-4 col. 18.75
200 vis. No. 4 col. 19.25

Red Oils
100 vis. No. 5-6 col. 15.5
200 vis. No. 5-6 col. 17
300 vis. No. 5-6 col. 17.5
500 vis. No. 5-6 col. 18
750 vis. No. 5-6 col. 18.25
1200 vis. No. 5-6 col. 18.75
2000 vis. No. 5-6 col. 19.25

(Continued on next page)

New York, N. Y.
Grade 100/130...20.05
Grade 91/96.....18.55
Grade 80.....18.05
Toledo, Ohio
Grade 100/130...20.05
Grade 91/96.....18.55
Grade 80.....18.55

Paraffin Wax

Western Penna. (t.c. in bulk)
124-6 AMP white
crude scale.....6.25

Seaboard Wax

Prices are for bulk lots in cents per pound in tank cars or tank trucks, FOB Atlantic or Gulf Coast refineries. For slabs, add: 0.9¢ lb. for 1,500-2,000 lb. pallets; 1.15¢ for 1,000 lb. skids; 1.6¢ lb. for 55 lb. cartons. Melting points are AMP.

White Crude Scale Wax
124-130.....6.6
Refined Wax
123-145.....7.65
149-151.....9.15

Petrolatums

Western Penna.
Bbls.; carloads; tank cars, 2.25¢ less.
Snow white.....8.625
Soft white.....8.25
Lily white.....8.125
Cream.....7.625-7.75
Soft yellow.....6.75-6.875
Light amber.....6.75-6.875
Amber.....6.5-6.625
Red.....6.375

Naphthas & Solvents

Baltimore, Md.
Mineral spirits...17.5

Boston, Mass.
V. M. & P.
naphtha.....19.5
Mineral spirits...18.5

New York Harbor
V. M. & P.
naphtha.....19
Mineral spirits...18

Philadelphia, Pa.
V. M. & P.
naphtha.....18.5
Mineral spirits...17.5

Providence, R. I.
Mineral spirits...18.5

FOB Group 3
Stoddard solvent.13.375
Cleaners naphtha.13.875
V. M. & P.
naphtha.....13.875
Mineral spirits...12.875
Rubber solvent...13.875
Lacquer diluent...14.125-14.375
Benzol diluent...15.125-15.625

Western Penna.
Oil City:
Stoddard solvent.18

Pittsburgh:
Stoddard solvent.18

Tank Wagon Prices

Prices for gasoline do not include taxes; they do however, include inspection fees, amounts of which may be obtained by writing to NPN. Gasoline taxes, shown in separate column include 3¢ federal and state taxes; also city and county taxes as indicated in footnotes. Kerosine tank wagon prices also do not include taxes; kerosine taxes where levied are indicated in footnotes. Discounts if any, are shown in footnotes. These prices in effect January 15, 1959, as posted by principal marketing companies at their headquarters' offices, but subject to later correction.

NPN Gasoline Index

	Dealer T.W.	Tank Car
	(cents per gal.)	
January 15	17.0	12.54
Month ago	16.93	12.53
Year ago	16.36	13.24

Dealer index is an average of dealer tank wagon prices ex tax in 50 cities.
Tank car index is weighted average of following wholesale markets for regular-grade gasoline, FOB refineries or terminals: Oklahoma, Chicago District, Minneapolis-St. Paul, Western Pennsylvania, California, Philadelphia, Jacksonville, Boston, and Gulf Coast.

Socony Mobil

	Mobilgas Gasoline (Regular)				*Mobil Kerosine			Mobilfuel *Diesel			Mobilheat *(No. 2 Fuel)		Mobil Special (No. 4)	No. 6 Fuel
	T.C.	Dlr. T.W.	Cons. T.W.	Gasoline Taxes	T.C.	Yard	T.W.	T.C.	T.W.	T.C.	Yard	T.W.	T.W.	T.W.
New York City														
Manhattan	....	15.9	16.4	7.0	....	....	16.3	....	15.9	....	....	15.6	13.55	6.85
Bronx	....	15.9	16.4	7.0	....	12.1	16.5	....	16.1	....	11.6	15.8	13.55	6.85
Kings	....	15.9	16.4	7.0	11.8	12.0	16.3	11.7	15.9	11.3	11.5	15.6	13.55	6.85
Queens	....	15.9	16.4	7.0	....	....	16.3	....	15.9	....	....	15.6	13.55	6.85
Richmond	....	15.9	16.4	7.0	11.7	12.0	16.3	11.6	15.8	11.2	11.5	15.4	13.31	6.61
Mt. Vernon, N. Y.	....	16.1	16.6	7.0	....	12.2	16.5	....	16.3	....	11.7	16.0	13.67	....
Albany	....	16.1	16.6	7.0	11.9	12.1	....	11.8	15.8	11.4	11.6	15.4	12.37	7.09
Binghamton	....	16.4	16.9	7.0	12.9	12.9	16.75	12.8	16.3	12.4	12.4	16.0	....	....
Buffalo	15.1	16.1	16.6	7.0	13.05	13.3	....	13.;5	17.6	12.65	12.9	....	....	9.35
Jamestown	....	16.4	16.9	7.0	13.9	14.1	....	....	....	13.4	13.6	16.8	....	....
Plattsburg	....	17.4	17.9	7.0	13.7	13.9	....	13.5	17.5	13.1	13.3	....	....	....
Rochester	15.3	16.4	15.9	7.0	13.1	13.3	....	13.0	16.6	12.6	12.8	....	....	....
Syracuse	....	16.6	17.1	7.0	13.0	13.0	....	12.9	16.2	12.5	12.5	....	....	....
Bridgeport	....	15.1	15.9	9.0	11.7	11.7	....	....	16.6	11.2	11.2	15.5	....	....
Hartford	....	14.4	9.0	15.2	12.05	12.05	....	11.95	16.0	11.55	11.55	15.6	....	....
New Haven	....	15.1	15.9	9.0	11.7	11.7	....	11.6	16.1	11.2	11.2	15.7	....	....
Bangor, Me.	16.0	16.2	16.7	10.0	12.5	....	17.3	12.4	16.8	12.0	....	16.4	....	....
Portland	....	15.4	15.9	10.0	11.5	....	16.9	11.8	16.4	11.4	....	16.0	....	....
Boston	....	14.4	15.9	8.5	11.8	....	....	11.7	16.2	11.3	....	....	....	....
Manchester	....	15.6	16.1	9.0	....	....	....	....	16.9	....	....	16.5	....	....
Portsmouth	....	15.8	16.3	9.0	12.0	....	....	11.9	16.5	11.5	....	16.5	....	....
Providence	....	14.4	15.8	9.0	11.8	....	16.9	11.7	15.9	11.3	....	15.5	....	....
Burlington, Vt.	....	17.3	17.8	9.5	13.6	13.6	....	13.5	17.1	13.1	13.1	16.7	....	....
Rutland	....	17.3	17.8	9.5	....	13.8	....	...	17.3	....	13.3	16.9	....	....

*Com. cons. t.c. prices 0.15¢ higher.
Taxes: NYC prices are ex 3% city sales tax, Syracuse prices ex 2% city sales tax.
Discounts: Mobil Kerosine & Mobilheat—NYC (all boroughs) & Mt. Vernon, t.w. less 0.5¢ for deliveries of 300 gal or more. Mobilfuel Diesel—All points, t.w. less 0.5¢ for deliveries of 800 gal or more.
Notes: Premium-grade t.w. prices 3.5¢ above regular. Jamestown t.c. prices are delivered, all other t.c. prices FOB bulk terminals.
Note: Mobilfuel Diesel prices at yard level were subject to 0.5¢ voluntary allowance from June 26 to June 30 inclusive; and 0.25¢ voluntary allowance July 1 to Nov. 6, inclusive. Mobil kerosine prices at yard level were subject to 0.25¢ voluntary allowance from July 1 to Nov. 6, inclusive.

Paragon
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LUBE OILS
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LUBE COLORS GASOLINE
Fluorescent color for solvent extracted and additive lube oils
Petroleum Colors
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● MULTI-PURPOSE OILS
● CYLINDER STOCKS
DEEP ROCK
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Marketer of Petroleum Products
NEW ENGLAND PETROLEUM CORPORATION
New York Sydney, N. S. Boston

Atlantic Refining

	Atlantic Gasoline (Regular) Dlr. T.W.	Cons. T.W.	Gasoline Taxes	Kerosine and No. 1 Fuel T.W.	No. 2 Fuel T.W.
Philadelphia, Pa.	*15.3	16.3	8.0	15.95	15.3
Reading	*15.3	16.3	8.0	16.35	15.7
Allentown	*15.3	16.3	8.0	16.35	15.7
Harrisburg	*15.3	16.3	8.0	16.35	15.7
Wilkes-Barre	*15.3	16.3	8.0	16.65	16.0
Williamsport	*15.3	16.3	8.0	16.65	16.0
Pittsburgh	**16.1	17.1	8.0	16.9	16.05
Altoona	**16.1	17.1	8.0	16.9	16.05
Erie	**16.1	17.1	8.0	16.9	16.05
Greensburg	**16.1	17.1	8.0	16.9	16.05
Wilmington, Del.	14.9	15.9	8.0	....	....
Hartford, Conn.	14.4	16.0	9.0	....	....
New Haven	15.1	15.6	9.0	....	15
Boston, Mass.	14.4	15.9	8.5	....	....
Springfield	14.9	16.7	8.5	....	....
Providence, R. I.	14.4	15.8	9.0	....	15.5
Camden, N. J.	13.4	14.9	8.0	15.7	15.2
Newark	13.4	14.9	8.0	15.7	15.2
Albany, N. Y.	16.1	16.6	7.0	16.1	15.3
Binghamton	16.4	16.9	7.0	16.7	16.0
Buffalo	16.1	16.6	7.0	17.3	16.9
Elmira	16.4	16.9	7.0	17.1	16.4
Rochester	16.4	16.9	7.0	16.8	16.2
Syracuse	16.6	17.1	7.0	....	....
Baltimore, Md.	14.9	15.9	9.0	....	15.1
Richmond, Va.	14.9	15.9	9.0	15.9	15.2
Charlotte, N. C.	12.4	16.1	10.0	16.0	15.3
Jacksonville, Fla.	14.9	14.9	10.0	....	....
Miami	14.9	16.1	10.0	....	....

*Fair-trade minimum service station price ..... 19.9¢
**Fair-trade minimum service station price ..... 20.9¢

	Heavy Fuels No. 5	No. 6
Philadelphia	9.53	7.4+

+Less voluntary allowance, 0.19¢.

Notes: Premium-grade t.w. prices 3.5¢ above regular. Kerosine—Penna., add 1¢ gal for t.w. deliveries under 100 gal at one time. Camden—Add 1¢ for deliveries of 100-299 gal, 2¢ for under 100 gal.

Esso Standard

	Esso Gasoline (Regular) Dlr. T.W.	Cons. T.W.	Gasoline Taxes	Kerosine and No. 1 Fuel T.W.	No. 2 Fuel T.W.
Atlantic City, N. J.	13.4	14.9	8.0	15.7*	15.2
Newark	13.4	14.9	8.0	15.7*	15.2
Baltimore, Md.	14.9	15.9	9.0	....	15.2
Cumberland	15.9	16.9	9.0	....	....
Washington, D. C.	14.9	15.9	9.0	....	15.8
Danville, Va.	15.4	16.4	9.0	16.3*	15.8
Petersburg	14.9	15.9	9.0	16.1	15.4
Norfolk	14.9	15.9	9.0	15.9	14.8
Richmond	14.9	15.9	9.0	15.9	15.2
Roanoke	15.9	16.9	9.0	17.3*	16.5
Charleston, W. Va.	14.9	15.9	9.0	15.8*	....
Fairmont	14.9	15.9	9.0	17.5*	....
Parkersburg	14.9	15.9	9.0	16.3*	....
Wheeling	16.0	17.0	9.0	16.3*	....
Charlotte, N. C.	15.6	16.1	10.0	16.0	15.3
Hickory	15.7	16.2	10.0	16.2	15.6
Mt. Airy	15.7	16.2	10.0	16.8*	16.2
Raleigh	15.9	16.4	10.0	16.8	16.2
Salisbury	15.6	16.1	10.0	16.0	15.3
Charleston, S. C.	15.5	16.0	10.0	....	14.7
Columbia	16.4	16.9	10.0	....	16.1
Spartanburg	15.5	16.0	10.0	....	15.0
New Orleans, La.	12.9	13.9	10.0	14.4*	....
Baton Rouge	13.9	14.9	10.0	14.2*	....
Alexandria	14.9	15.9	10.0	15.2*	....
Lake Charles	13.9	14.9	10.0	14.1*	....
Shreveport	14.9	15.9	10.0	16.2*	....
New Iberia	14.9	15.9	10.0	14.6*	....
Knoxville, Tenn.	14.9	15.9	10.0	16.4*	....
Memphis	14.1	15.1	10.0	15.9*	....
Chattanooga	14.9	15.9	10.0	16.3*	....
Nashville	14.9	15.9	10.0	16.2*	....
Little Rock, Ark.	13.6	14.6	9.5	16.6*	....

*Prices apply for kerosine only.

	Heavy Fuels No. 4 Fuel	No. 6 Fuel
Newark, N. J.	$3.882	$3.03¢
Baltimore, Md.	4.24	3.23
Washington, D. C. 1,050 gal minimum	4.53	3.26

Taxes: Louisiana kerosine prices do not include 1¢ state tax.

Note: Kerosine/No. 1—Atlantic City prices are for deliveries of 300 gal or more: add 1¢ for 100-299 gal, 2¢ for less than 100 gal. Premium-grade t.w. prices 2.5¢ above regular.

‡Subject to temporary voluntary allowance of 8¢ bbl.

Imperial Oil

(Prices are per imperial gal; to arrive at price per U. S. gal, subtract 1/6th).

	Esso Gasoline (Regular) Dlr. T.W.	Gasoline Taxes	Kerosine T.W.	Esso Furnace Oil (No. 2 Fuel) T.W.
St. John's, Nfld.	23.2	17.0	24.7	17.7
Halifax, N. S.	22.2	17.0	23.7	16.7
S. John, N. B.	22.2	15.0	25.7	16.7
Charlottetown, P. E. I.	23.9	16.0	26.2	18.3
Montreal, Que.	22.6	13.0	24.6	17.3
Toronto, Ont.	22.8	13.0	25.1	17.6
Hamilton, Ont.	22.8	13.0	25.1	17.6
Winnipeg, Man.	22.6	11.0	28.5	18.4
Brandon, Man.	25.2	11.0	28.5	20.6
Regina, Sask.	21.9	12.0	25.2	17.1
Saskatoon, Sask.	24.8	12.0	27.9	17.4
Calgary, Alta.	21.1	10.0	24.4	16.2
Edmonton, Alta.	20.6	10.0	23.9	15.7
Vancouver, B. C.	22.6	10.0	25.4	17.1

Taxes: Gasoline taxes are provincial taxes.

Note: Premium-grade t.w.—Nfld., N.S., P.E.I., N.B., Que., 5.0¢ above regular; Ont. Man., Sask., Alta., B.C., 4.5¢ above regular.

Established tank wagon prices are shown below. Some temporary prices may be in effect in one or more localities.

Indiana Standard

	Red Crown Gasoline (Regular) Dlr. T.W.	Cons. T.W.	Gasoline Taxes	Kerosine T.W.	Standard Furnace Oil 1-99 gal	100 gal and over
Chicago, Ill.	16.6	18.6	8.0	17.1	18.9	(a)
South Bend, Ind.	16.4	18.1	9.0	18.6	17.3	16.3
Detroit, Mich.	16.5	18.0	9.0	18.3	16.6	15.6 (b)
Mpls.-St. Paul, Minn.	....	18.7	8.0	17.9	16.5	(a)
Des Moines, Iowa	....	18.0	9.0	17.5	15.9	14.9
St. Louis, Mo.	....	17.4	7.5	17.5	15.9	14.9
Wichita, Kansas	16.1	17.6	8.0	15.9	14.1	13.1
Omaha, Nebr.	....	18.2	10.0	17.7	15.3	14.3
Fargo, N. D.	17.6	19.1	9.0	18.9	16.2	15.2
Huron, S. D.	17.8	19.3	9.0	18.8	16.6	15.6
Milwaukee, Wis.	16.8	18.3	9.0	18.0	17.0	(a)

(a) See below for prices on larger quantities. (b) 15.4 for 750 gal & over.

	Standard Furnace Oil 100-399 gal	400 gal and over	Stanolex Fuel A 1-749 gal	750 gal and over	Stanolex Fuel C 1-749 gal	750 gal and over
Chicago	15.9	15.4	11.8	11.05	10.5	9.75

	Standard Furnace Oil 100-174 gal	100-349 gal	175-849 gal	850 gal and over	350 gal and over
Mpls.-St. Paul	15.5	....	14.8	14.3	....
Milwaukee	....	16.0	....	....	15.5

Taxes: St. Louis gasoline tax includes 1.5¢ city tax. Des Moines kerosine & furnace oil prices do not include 7¢ state tax. State sales, occupation, consumer & use taxes to be added where applicable.

Discounts: Red Crown c.t.w. prices at some points subject to varying discounts for quantity deliveries.

Standard of Cal.

Prices are tank truck postings, ex all taxes, applying for deliveries of 400 gal or more; see below for other deliveries.

	Chevron (Regular)	Gasoline Taxes	Kerosine	Chevron Diesel Fuel	Standard Furnace Oil	Standard Stove Oil
San Francisco, Calif.	17.9	9.0	19.3	14.5	14.5	16.0
Los Angeles	17.4	9.0	18.8	14.0	14.0	15.5
Fresno	19.0	9.0	21.3	15.3	15.3	16.8
Phoenix, Ariz.	19.1	8.0	22.2	16.4	16.4	19.4
Reno, Nev.	20.3	9.0	21.9	17.0	....	....
Portland, Ore.	18.5	9.0	21.3	14.5	....	....
Seattle, Wash.	18.6	9.5	21.3	14.6	....	....
Spokane	20.8	9.5	24.1	16.5	....	....
Tacoma	18.6	9.5	21.3	14.6	....	....
Boise, Idaho	20.3	9.0	31.1	16.4	16.4	17.9
Salt Lake City, Utah	18.7	9.0	20.2	15.0	13.5*	15.5
Honolulu, T. H.	19.0	11.5	20.4	15.3	15.3	....
Fairbanks, Alaska	29.8	8.0	37.4	....	....	....
Juneau	20.2	8.0	29.3	....	....	....

*Standard No. 2 Burner Oil.

Taxes: Honolulu—Diesel/furnace oil price is ex 1¢ territorial tax; all T.T. prices are ex-Hawaiian gross income tax of 1% to resellers, 2.5% ro consumers.

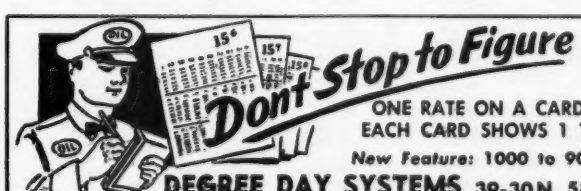
Notes: For other deliveries—

Chevron (regular)—Add to 400-gal-and-over price 1¢ for 40-199 gal, 0.5¢ for 200-399 gal, except to marine trade in Alaska where 0.5¢ differential applies to 40-399 gal; ofr less than 40 gal, add 5¢ gal, except at Honolulu add 5¢ for less than 40 gal to marine trade and less than 100 gal to shoreside trade. Chevron Supreme (premium) prices are 3.5¢ higher than Chevron (regular) for quantity delivered at points above except Salt Lake City—3¢.

Kerosine—Add to 400-gal-and-over price 11¢ for less than 20 gal, 5¢ for 20-199 gal, 3¢ for 200-399 gal; tank car/truck trailer, deduct 3.5¢.

Diesel, furnace & stove oils—Add to 400-gal-and-over price 5¢ for less than 40 gal, 1¢ for 40-199 gal, 0.5¢ for 200-399 gal.

(Continued on next page)



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DEGREE DAY SYSTEMS 39-30N 58th ST. WOODSIDE 77, N. Y. TWining 8-6666

Ohio Standard

	Sohio Extron Gasoline (Regular)					No. 1 Sohio-Heat	No. 2 Sohio-Heat
	Resellers	Consumer T.W.	S.S.	Gasoline Taxes	Kerosine T.W.		
Akron	16.1	19.6	20.9	8.0	16.6	16.6	15.6
Canton	14.6	18.1	18.9	8.0	16.6	16.6	15.6
Cincinnati	14.4	17.9	18.9	8.0	15.8	15.8	14.8
Cleveland	16.1	19.6	20.9	8.0	16.6	16.6	15.6
Columbus	16.1	19.6	20.9	8.0	16.6	16.6	15.6
Dayton	15.4	18.9	19.9	8.0	16.6	16.6	15.6
Lima	16.1	19.6	20.9	8.0	16.4	16.4	15.4
Mansfield	16.1	19.6	20.9	8.0	16.6	16.6	15.6
Portsmouth	16.1	19.6	20.9	8.0	16.6	15.6	16.6
Toledo	15.4	18.9	19.9	8.0	16.4	16.4	15.4
Youngstown	16.1	19.6	20.9	8.0	16.6	16.6	15.6
Zanesville	16.1	19.6	20.9	8.0	16.6	16.6	15.6

Notes: Kerosine, Nos. 1 & 2 Fuels—Prices are for 100 gal or more; for 50-99 gal, add 1¢; 1-49 gal, add 2¢. Premium-grade prices: consumer t.w. & s.s. 4¢ above regular, resellers 3.5¢ above regular. S.S. prices are at company-operated stations.

Texas Company

	Fire Chief Gasoline (Regular)		Kerosine
	Dealer T.W.	Consumer T.W.	Dealer T.W.
Dallas, Tex.	15.4	15.9	14.3
Ft. Worth	15.4	15.9	14.3
Wichita Falls	16.5	17.0	14.3
Amarillo	16.4	16.9	14.3
Tyler	16.4	16.9	14.3
El Paso	17.8	17.8	15.2
San Angelo	16.4	16.9	14.3
Waco	15.4	15.9	14.3
Austin	16.4	16.9	14.3
Houston	15.4	15.9	14.3
San Antonio	16.4	16.9	14.3
Port Arthur	15.4	15.9	14.3

Gasoline taxes: 8¢.

Notes: Prices are for min. 50-gal deliveries. Gasoline—Premium-grade t.w. prices 3.5¢ above regular, except El Paso, 2.7¢ higher. Kerosine—Prices apply to dealers & consumers.

Continental Oil

(N.B. Prices are Continental's tank wagon prices. Current selling prices may vary from those shown because of local conditions.)

	Conoco Gasoline T.W. (Regular)	Gasoline Taxes	Kerosine T.W.
Denver, Colo.	17.5	9.0	18.0
Grand Junction	20.2	9.0	20.6
Pueblo	18.2	9.0	18.7
Casper, Wyo.	18.3	9.0	18.2
Cheyenne	18.5	9.0	19.0
Billings, Mont.	19.4	9.0	21.2
Butte	20.5	9.0	23.0
Great Falls	19.4	9.0	23.0
Helena	20.3	9.0	23.0
Salt Lake City, Utah	19.7	9.0	19.2
Twin Falls, Idaho	21.3	9.0	21.8
Albuquerque, N. M.	18.0	9.5	17.5
Roswell	17.4	9.5	16.9
Santa Fe	18.4	10.0	17.9
Muskogee, Okla.	16.05*	9.5	16.0
Oklahoma City	16.05*	9.5	16.2
Tulsa	16.05*	9.5	15.5

Taxes: Gasoline taxes include these city taxes; Albuquerque & Roswell, 0.5¢; Santa Fe, Cheyenne & Casper, 1¢.

Discounts: Salt Lake & Twin Falls gasoline prices apply for deliveries of less than 200 gal; 200-399 gal, deduct 0.5¢; 400 gal & over, deduct 1¢.

Notes: Premium-grade t.w. prices 3.5¢ above regular, except Utah & Idaho premium grade 3.0¢.

*Prices apply to dealers and consumers except Oklahoma points where consumer prices are 1¢ higher.

Kentucky Standard

	Crown Gasoline T.W.	Gasoline Taxes	Kerosine T.W.
Atlanta, Ga.	16.4	9.5	
Birmingham, Ala.	16.3	11.0	16.5 16.4
Jackson, Miss.	16.5	10.0	16.7
Jacksonville, Fla.	16.1	10.0	16.5
Louisville, Ky.	16.2	10.0	16.7

Taxes: Birmingham gasoline taxes include 1¢ Jefferson County tax. Kerosine taxes not included in prices: Georgia 1¢; Mississippi, 0.5¢.

Gasoline Markets

Gasoline Consumption by States, July 1958

(American Petroleum Institute Figures)

	Tax Rate† July Cents	Month of June 1958 000 Gal.	Month of July 1958 000 Gal.	Month of July 1957 000 Gal.	7 Months Ending With July 1958 000 Gal.	7 Months Ending With July 1957 000 Gal.
Alabama	7	79,379	82,496	81,370	543,616	531,367
Arizona	5	38,402	35,628	36,602	257,495	241,214
Arkansas	6½	54,050	52,801	50,677	329,634	315,383
California	6	492,818	513,901	500,033	3,243,623	3,174,736
Colorado	6	61,801	73,215	67,969	389,514	375,004
Connecticut	6	62,883	68,383	67,287	417,890	415,400
Delaware	5	16,782	17,734	17,568	108,277	105,055
District of Columbia	6	16,265	16,679	17,055	113,904	116,149
Florida	7	144,915	146,544	140,056	1,040,919	993,852
Georgia	6½	102,765	107,898	106,829	709,200	699,720
Idaho	6	26,022	28,428	27,470	153,423	147,246
Illinois	5	260,663	255,958	267,849	1,692,480	1,681,230
Indiana	6	148,009	156,751	162,356	990,040	1,007,048
Iowa	6	129,785	94,003	112,688	663,936	675,524
Kansas	5	109,689	102,236	109,350	608,640	607,679
Kentucky	7	76,976	78,177	78,893	497,597	500,062
Louisiana	7	80,466	82,554	79,864	543,938	525,437
Maine	7	28,735	35,319	35,365	176,289	176,500
Maryland	6	74,550	78,852	75,414	488,317	486,880
Massachusetts	5½	115,959	124,615	122,161	762,569	762,884
Michigan	6	218,507	249,379	247,026	1,473,327	1,482,353
Minnesota	5	119,019	129,009	129,151	739,463	706,344
Mississippi	7	51,085	58,798	52,577	362,739	359,563
Missouri	3	148,650	149,636	151,742	945,026	933,662
Montana	6	28,739	34,055	35,987	165,512	169,109
Nebraska	7	57,456	61,794	65,049	343,247	339,095
Nevada	6	13,795	14,656	14,848	77,444	77,633
New Hampshire	6	16,622	23,336	22,175	108,533	111,907
New Jersey	5	176,373	165,173	171,664	1,072,975	1,078,618
New Mexico	6	39,893	40,846	38,430	252,322	231,779
New York	4	345,876	379,095	376,885	2,260,967	2,246,218
North Carolina	7	111,601	118,752	122,070	775,880	783,488
North Dakota	6	31,797	33,024	35,775	175,720	175,883
Ohio	5	281,784	280,794	291,609	1,783,095	1,804,433
Oklahoma	6½	96,915	92,466	91,623	583,667	545,138
Oregon	6	58,910	64,608	64,691	368,132	365,445
Pennsylvania	6	271,077	297,118	292,210	1,802,307	1,769,581
Rhode Island	6	17,565	22,252	22,398	141,394	137,654
South Carolina	7	59,550	62,438	63,071	397,022	397,203
South Dakota	6	34,437	34,215	35,488	187,929	182,154
Tennessee	7	98,171	95,598	93,417	632,861	619,687
Texas	5	441,460	438,381	395,579	2,700,587	2,541,701
Utah	6	29,546	32,887	31,028	185,021	180,463
Vermont	6½	11,549	13,936	13,757	69,973	69,746

(American Petroleum Institute Figures)

	Tax Rate† July Cents	Month of June 1958 000 Gal.	Month of July 1958 000 Gal.	Month of July 1957 000 Gal.	7 Months Ending With July 1958 000 Gal.	7 Months Ending With July 1957 000 Gal.
Virginia	6	107,926	118,383	118,011	720,491	721,853
Washington	6½	87,183	96,514	92,996	582,112	538,599
West Virginia	6	46,250	42,707	45,859	279,752	287,407
Wisconsin	6	116,645	131,301	130,858	735,785	716,073
Wyoming	5	17,906	21,937	20,771	98,747	94,803
Total 48 States and D. of C.		5,257,200	5,455,260	5,423,601	33,750,331	33,205,962
Daily Average		175,240	175,976	174,955	159,200	156,632
Change from previous year:						
Total Change			+31,659		+544,369	
Percentage change in Daily Average			+0.58%		+1.64%	

†These are State tax rates per gallon. In addition there is the Federal Tax of three (3¢) per gallon.

Gasoline Prices for 55 U. S. Cities

Dealer tank wagon and retail prices for regular-grade (house-brand) gasoline, and taxes in 55 representative U. S. cities on Jan. 1, 1959 as compiled by National Petroleum News are shown below. Figures are in ¢ per gal.; (i) and (d) indicate increase or decrease as compared with Dec. 1, 1958. Tax col. indicates only motor fuel taxes levied as such.

	Dlr. T.W. (ex tax)	Ser. Sta. (ex tax)	Tax (incl. 3¢ federal)	Ser. Sta. (incl. tax)
Average U. S.	i-15.79	i-20.57	8.94	i-29.51
Portland, Me.	10.40	d-12.90	10.00	d-22.90
Manchester, N. H.	14.90	18.90	9.00	27.90
Burlington, Vt.	17.60	24.40	9.50	33.90
Boston, Mass.	d-10.90	d-14.40	8.50	d-22.90
Providence, R. I.	12.10	15.90	9.00	24.90
Hartford, Conn.	11.40	14.90	9.00	23.90
Buffalo, N. Y.	16.10	21.90	7.00	28.90
New York, N. Y.	15.90	25.50	7.00	32.50
Newark, N. J.	d-13.40	d-17.90	8.00	d-25.90
Philadelphia, Pa.	i-15.30	19.90	8.00	27.90
Wilmington, Del.	14.90	19.90	8.00	27.90
Baltimore, Md.	14.90	20.90	9.00	29.90
Washington, D. C.	14.90	20.90	9.00	29.90
Charleston, W. Va.	15.90	19.90	9.00	28.90
Norfolk, Va.	14.90	19.90	9.00	28.90
Charlotte, N. C.	d-14.40	d-18.90	10.00	d-28.90
Charleston, S. C.	d-14.40	d-18.90	10.00	d-28.90
Atlanta, Ga.	d-15.90	20.40	9.50	29.90
Jacksonville, Fla.	i-14.90	i-19.90	10.00	i-29.90
Birmingham, Ala.	15.90	20.90	11.00**	31.90
Jackson, Miss.	16.50	21.50	10.00	31.50
Memphis, Tenn.	i-14.10	i-18.90	10.00	i-28.90
Louisville, Ky.	15.90	20.90	10.00	30.90
Cleveland, Ohio	16.10	20.90	8.00	28.90
Cincinnati, Ohio	14.40	18.90	8.00	26.90
Indianapolis, Ind.	d-14.90	d-19.90	9.00	d-28.90
Chicago, Ill.	16.60	23.00	8.00	31.00
Detroit, Mich.	i-14.50	i-20.50	9.00	i-29.50
Milwaukee, Wisc.	16.80	22.90	9.00	31.90
Twin Cities, Minn.	14.40	18.90	8.00	26.90
Fargo, N. D.	17.60	23.90	9.00	32.90
Huron, S. D.	d-17.80	i-24.40	9.00	i-33.40
Omaha, Neb.	16.40	21.90	10.00	31.90
Des Moines, Ia.	16.30	21.90	9.00	30.90
St. Louis, Mo.	15.90	21.40	7.50***	28.90
Wichita, Kans.	i-16.10	i-21.90	8.00	i-29.90
Tulsa, Okla.	16.00	22.40	9.50	31.90
Little Rock, Ark.	13.60	18.40	9.50	27.90
New Orleans, La.	9.90	14.90	10.00	24.90
Dallas, Tex.	15.40	i-23.40	8.00	i-31.40
Houston, Tex.	15.40	20.90	8.00	28.90
El Paso, Tex.	17.80	25.50	8.00	33.50
Albuquerque, N. M.	18.10	19.40	9.50*	28.90
Denver, Colo.	12.10	17.90	9.00	26.90
Cheyenne, Wyo.	18.50	25.50	9.00**	34.50
Great Falls, Mont.	i-19.40	i-26.40	9.00	i-35.40
Boise, Idaho	20.30	26.90	9.00	35.90
Salt Lake City, Utah	18.70	23.90	9.00	32.90
Reno, Nev.	20.30	27.50	9.00	36.50
Phoenix, Ariz.	19.10	16.90	8.00	24.90
Los Angeles, Calif.	17.40	16.90	9.00	25.90
San Francisco, Calif.	17.90	i-19.90	9.00	i-28.90
Portland, Ore.	18.50	d-14.90	9.00	d-23.90
Seattle, Wash.	18.60	19.40	9.50	28.90
Spokane, Wash.	17.90	21.40	9.50	30.90

*Includes 0.5¢ city tax. **Includes 1¢ city tax. ***Includes 1.5¢ city tax.

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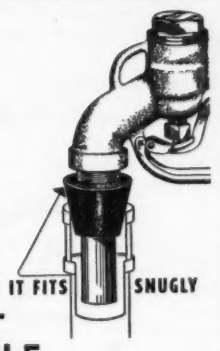

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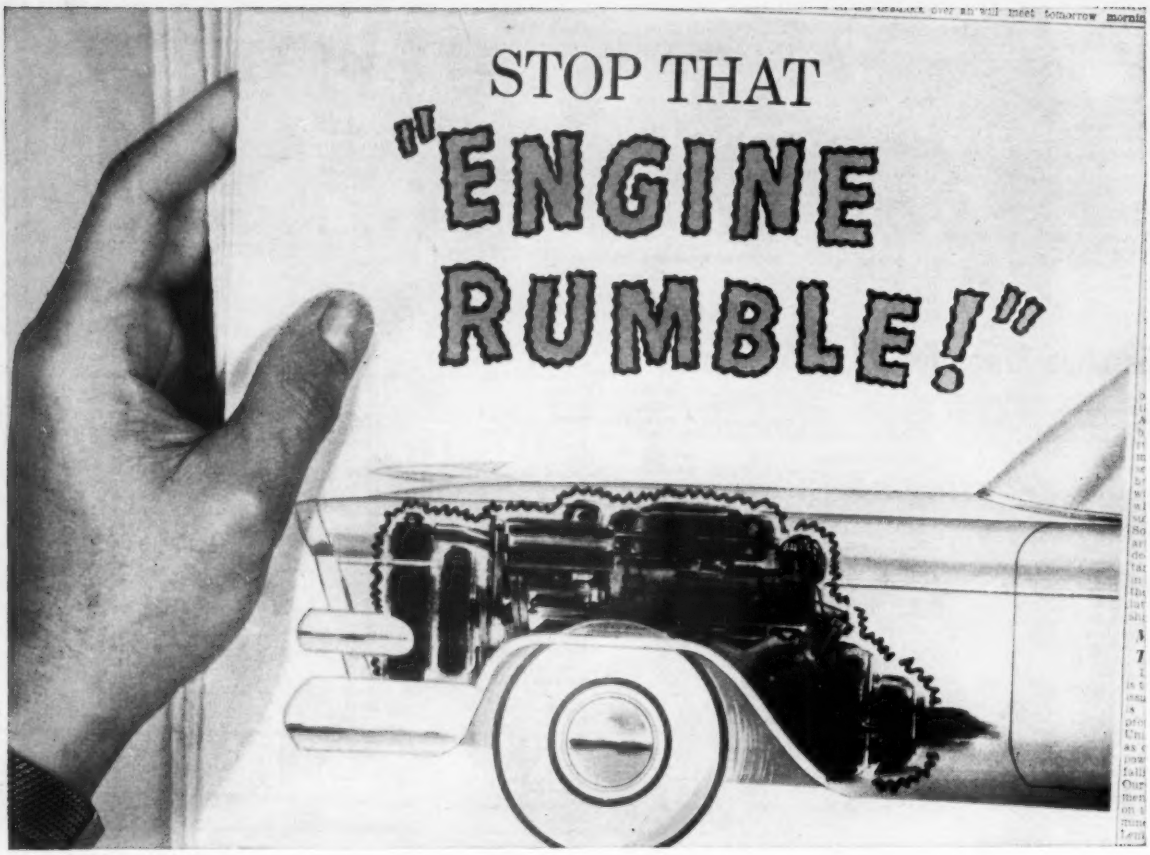


When the motorist read this message in magazines
and newspapers, when he heard it on radio and TV...Where did he go?
To Cities Service! For only Cities Service has announced a solution to engine rumble
...only Cities Service Dealers offer Anti-Rumble gasolene!

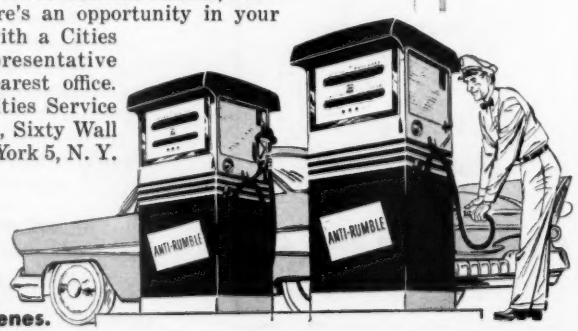
TO STOP ENGINE RUMBLE, THEY STOP AT CITIES SERVICE ... it's as simple as that! No one else has offered a solution to this disturbing low vibrational sound that afflicts so many late model cars.

Cities Service researchers discovered that unlike engine knock, "rumble" could not be cured by increasing octane or other common measures ... for "rumble" is not caused by lack of octane.

Something entirely new was needed. Months of intensive study and experiments followed. Some formulations offered a partial cure ... but Cities Service researchers wouldn't settle for that. Finally came the breakthrough. Great new ANTI-RUMBLE had been perfected.

CITIES SERVICE ANTI-RUMBLE is now contained exclusively in Cities Service gasolene—at no extra price! For those who have been troubled with "rumble," it offers the solution to this mystifying problem. For all others, it eliminates the risk of "rumble." And for Cities Service Dealers, it means that they and only they will benefit from the tremendous increase in business this new development is bringing.

LIKE TO BE A CITIES SERVICE DEALER, TOO? Perhaps there's an opportunity in your area. Talk with a Cities Service Representative from the nearest office. Or write: Cities Service Oil Company, Sixty Wall Tower, New York 5, N. Y.



New Anti-Rumble

now added to the five other top performance features found only in Cities Service Premium Gasolenes.

An Honor Roll of Veteran Distributors

As NPN celebrates its first half century, it salutes 27 distributors with records of more than 50 years of oil marketing experience

THIS LIST is based on a survey of suppliers and jobber associations. While undoubtedly incomplete, it represents the most comprehensive roster yet made of distributorships that are 50 years old or more.

A total of 170 jobberships and agencies were nominated for the list. Only 27, however, had been distributing oil products for 50 years or more. Here they are:

► **Arey Oil Co.,** Shelby, N. C., 1908. Gasoline and kerosine. Was Wm. J. Avery's General Store; continued as Riviere Oil Co. Arey Oil founded 1937 by son. Now Robert J., grandson, runs the Amoco jobbership.

► **Lawrence J. Bennett Inc.,** Garden City, N. Y., 1903. Home heating oil added to windmill and plumbing business. Bennett, still owner, also installs oil burners. Volume is 17-million gal.

► **P. E. Cannon,** Laurens, S. C., 1902. Gasoline and kerosine (100,000 gal.). Gulf commission agent continually. Now does 2.5-million gal.

► **Charleston Oil Co.,** Charleston, S. C., 1909. Kerosine. One of founders, T. Wilbur Thornhill, semi-retired. His two sons handle all Shell products plus heating and air conditioning equipment. Total sales $1.25-million.

► **Daniels Oil Co.,** Manteo, N. C., 1895. Kerosine (3,600 gal.). A Standard agency, is still with Esso. L. D. Tarkington, 84, sold out to M. L. Daniels in 1912. Daniels, 76, and his son, M. L., Jr., are partners. Handles 1.5-million gal. all products.

► **C. M. Dukes Oil Co.,** Orangeburg, S. C., 1909. Kerosine and axle grease (50,000 gal.) plus kerosine cook stoves and candles. Now run by C. M., Jr., handles 1-million gal. of all Esso products.

► **Goodell Oil Co.,** Hancock, Mich., 1898. Kerosinc and paraffin wax. Founder's son Robert, runs the Shell jobbership. $800,000 annual sales, all products.

► **Hansen Oil Co.,** Burlington, Wis., 1902. Kerosine (25,000 gal.); gasoline added in 1904. Founded when Andrew Hansen bought the Union Grove branch of Wisconsin Petroleum Co. Now run by son's widow. Skelly gasoline and Anderson-Prichard fuel oils total 600,000 gal. annually.

► **Hogue Oil Co.,** Weiner, Ark., 1904. Kerosine and axle grease. Founded as Downing & Hogue by Lewis Hogue. His son, Malcolm C., handles 1-million gal. of Esso products, plus tires and tubes.

► **Howard's,** Mt. Hope, Kan., 1909. Kerosine, axle grease and lube oils (20,000 gal.). Founder's son, R. T., now handles 250,000 gal. of Socony gasoline, lubes and greases.

► **Iowa Oil Co.,** Dubuque, Iowa, 1905. Gasoline (Iowa Gas). Founded by a group of motor boat owners. Now a Cities Service jobber.

► **F. D. Koehler Co.,** Staten Island, N. Y., 1908. Gasoline. Widow is president, four sons run the business. Tidewater jobbers, handling a full line of products plus oil burner sales.

► **Kunz Oil Co.** Minneapolis, Minn., 1888. Kerosine and engine oils. Founded by Mathias, Jacob and Joseph Kunz. Joseph's son, Walter, sells $2-million of all D-X products and TBA.

► **Harry E. Laher & Sons,** Everett, Pa., 1889. Gasoline (750 gal.), kerosine (15,000 gal.) and coal. An Atlantic jobber since 1903, handles 1-million gal. of all products. Sons Charles and Donald and Donald, Jr., own the company.

► **Marx & Wilcox Inc.,** Old Forge, N. Y., 1908. Gasoline, kerosine and oil (40,000 gal.). A Standard agency, still with Socony, doing 1-million gal. W. D. Marx and L. Wilcox, founder's son, owners.

► **W. R. Marran's Sons,** Patchogue, N. Y., 1891. Lubes and kerosine. Now 4-million gal. of Amoco gasoline and fuel oil. Still family-held.

► **A. C. McLoon & Co.,** Rockland, Me., 1900. Gasoline and kerosine. Now 4-million gal. of Amoco gasoline and sells 4.5-million gal. of all products.

► **Austin R. Newcombe & Co.,** Kingston, N. Y., 1908. Gasoline and oils. Sold original business to Cities Service; started new company in 1932. Widow and two sons own the 10-million gal. business.

► **H. H. Park, Inc.,** Katonah, N. Y., 1909. Gasoline (one 405-gal. tank wagon). Gulf jobber with H. H. Jr. a co-owner. All products, 7-million gal.

► **Pease Oil Co.,** Buffalo, N. Y., 1848. Whale oil. Gasoline added in 1865. A Fleet-Wing jobber, handles 10-million gal. of all products.

► **Porter Oil Refining Co.,** St. Louis, Mo., 1904. Kerosine, coffee and spices. Bell Oil Co. until 1922. Founded by F. C. Bretsnyder, still family owned. Handles Shell fuel oil.

► **Raquette Lake Supply Co.,** Raquette Lake, N. Y., 1908. Gasoline, kerosine and oils. Socony.

► **Searle Petroleum Co.,** Omaha, Neb., 1889. Axle grease. Grandson, H. A., Jr., manufactures own oils. Also handles Frontier refined oils.

► **SICO Co.,** Mount Joy, Pa., 1886. Kerosine (two carloads a month). Was Clarence Schock's Independent Oil Co.; named SICO in 1941. Handles 60-million gal. of all Cities Service products; oil burners.

► **Smith Oil & Refining Co.,** Rockford, Ill., 1893. Kerosine, lube oils and paint. Was C. E. Smith & Son. Son E. E. is board chairman; his son, is president. Gulf and unbranded. Has own compounding facilities. Total 120-million gal. annually.

► **Stoessel Oil Works,** Ottumwa, Iowa., 1893. Kerosine and engine oils (100,000 gal.). Owned by Albert T., whose own son and grandson are jobbers, too. All products, 2-million gal. Open buyers.

► **W. W. Walker,** Lancaster, Pa., 1895. Gasoline, kerosine and grease. Always with Atlantic. Widow owns business. With heating oil. 200,000 gal. annually.

A Who's Who of Former NPN Staffers

In 50 years, NPN has trained hundreds of editors. Here are the whereabouts of some you'll remember

Still associated with oil industry

John U. Barton—associate editor, managing editor (1949-1955). Senior editor, *Petroleum Week.*

William F. Bland — engineering editor (1944-1946). Engineering editor, managing editor, editor, *Petroleum Processing* (1946-1957). Assistant publisher, McGraw-Hill petroleum publications.

Raymond Bjorkback—Washington correspondent, eastern editor (1945-1954). Editor, Platt's *Oilgram* News Service.

Charles Boyd, Jr.—news desk, staff writer (1936-1943; 1946-1953). Managing editor, *Super Service Station.*

Leonard Castle—Chicago bureau chief, Midwest editor (1948-1956). Editor, *National Oil Jobber.*

Josiah C. Chatfield — managing editor, technical section (1922-1940). Editor, *World Petroleum;* vice president, Association of Petroleum Writers.

James M. Collins—Washington news desk, staff writer (1941-1945). Washington bureau chief, *Oil Daily.*

Arch L. Foster—staff writer, technical editor (1929-1939). Editor, refining, petrochemical and gas processing, *Petroleum Engineer.*

Allen S. James—staff writer (1925-1940). Public relations director, Warren Petroleum Co.

Donald C. Kearns—associate editor (1953-1954). Editor, *Esso Exchange,* Standard Oil Co. (N. J.)

Earl Lamm—staff writer, Midwest editor (1942-1948). Vice president, crude production, Clark Oil & Refining Co.

William F. Lowe—Staff writer (1929-1934). Executive director, Natural Gasoline Association of America.

Lawrence D. McGuan—Platt's *Oilgram* reporter; staff writer (1927-1941). Managing editor, *Oil Daily.*

A. Milburn Petty—news editor, Washington bureau chief (1933-1943). Editor, *Oil Daily.*

Charles N. Pollak—West Coast editor (1954). Public relations manager, western division, Tidewater Oil Co.

Bruce Quayle—staff editor, New York bureau chief (1948-1949). Public relations manager, Sinclair Oil Corp.

Roger B. Stafford—staff writer, (1922-1934). Editor, *Super Service Station.*

John Steiger—Platt's *Oilgram* reporter; Tulsa news bureau reporter (1928-1940). Public relations representative, Cities Service Oil Co.

Donald Sweeney—Pacific Coast editor (1954-1955). Assistant manager, public relations, Socony Mobil Oil Co.

D. P. Thornton, Jr.—Platt's *Oilgram* reporter; staff writer, assistant editor (1940-1948). Assistant editor, Southwest editor, *Petroleum Processing* (1948-1955). Technical consultant, public relations department, Universal Oil Products Co.

William C. Uhl—technical writer (1946). Equipment editor, managing editor, *Petroleum Processing* (1946-1957). Technical information division, public relations department, Esso Research and Engineering Co.

William W. Weston—Platt's *Oilgram* reporter; news editor (1939-1944). Assistant director, public relations department, Sun Oil Co.

Paul Wollstadt—news editor (1945-1951). Assistant to board chairman, Socony Mobil Oil Co., in charge of public relations.

No longer associated with oil industry

Anthony M. Astrachan—editorial assistant (1956-1958). Assistant editor, *Business Week.*

Elmer L. Barringer—Platt's *Oilgram* reporter; staff writer, Chicago news bureau manager (1926-1940). Managing editor, *Hardware Age.*

Warren W. Burns—Staff writer, Washington news bureau reporter (1939-1942). Employed by government and Standard Oil Co. (Calif.) Now managing editor, *The Analysts Journal.*

Edward H. DeHart—managing editor (1955-1958). Managing editor, *Engineering News-Record.*

Glenn W. Dietrich — copy editor, news editor, associate editor (1948-1955). Associate copy editor, *Steel.*

Richard Elwell—West Coast editor (1955-1956). Manager, employe communications, industrial relations department, Ramo Division, Thompson-Ramo-Wooldridge.

Patricia A. Farrell—assistant editor (1948-1956). Employed by American Petroleum Institute as coordinator of women's activities. Now manager, women's promotion, Pan American World Airways.

Nan M. Mainpaugh—staff writer, editor of Oil Price Handbook (1922-1940). Editor, employe publications for research laboratories, National Carbon Co., division of Union Carbide Corp.

M. G. Van Voorhis—staff writer (1933-1941). Public relations account executive, Ketchum, McLeod and Grove.

J. N. Westsmith—staff writer (1929-1941). With American Association of Oilwell Drilling Contractors. Now manager, Hollywood Sporting Goods, Los Angeles.

George T. Kellogg—Washington news bureau reporter (1936-1940). Assistant director, public relations, Air Conditioning and Refrigeration Institute.

Retired or deceased

J. P. Mosher—market editor, editor of Platt's *Oilgram* Price Service (1924-1942; 1946-1956). Retired.

Lawrence E. Smith—staff writer, Tulsa news bureau manager (1920-1938). With Independent Petroleum Association. Died Jan. 8, 1951.

Paul Truesdell—staff writer (1917-1929). With Universal Oil Products Co. Retired, proprietor of antique shop in Napoleon, Ohio.

Paul Wagner—staff writer, news bureau manager in Tulsa and Houston (1917-1935). Died Feb. 23, 1935.

Herbert A. Yocom—Washington editor and bureau chief, managing editor, editor (1943-1955). Editor, *Petroleum Week* (1955-1957). Died Aug. 23, 1957.

Longtime NPN staffers

Warren C. Platt — founder, publisher, editor (1909-1954). Retired, living in Pacific Palisades, Calif. (see p. 93)

Alice E. Kraft — Executive assistant to W. C. Platt; secretary, treasurer, business manager, National Petroleum Publishing Co. and W. C. Platt Co.; circulation manager (1911-1956). Retired, living in Cleveland.

Virgil B. Guthrie—managing editor, editor of new technical section, eastern manager (1915-1957). Contributing editor, NATIONAL PETROLEUM NEWS.

Irene Hanson — Confidential secretary, with NPN since 1916. Currently convalescing from fractured hip sustained in a fall in January.

Helen L. Keller — Advertising makeup. Started in 1919 as secretary in NPN advertising department. Now in charge of placement and layout of all advertisements appearing in each issue of NPN.

Don't just catch up with competition

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Petelco V-1
particularly effective for perimeter lighting.

Petelco V-2
graceful high light output unit with excellent light pattern. The all new move in island lighting.

Versalite
the light of 101 custom lighting combinations —consolidates your lighting.

The prime purpose of Service Station lighting, of course, is to attract customers. Transient trade always picks the best lighted station by night—the most pleasing by day. Your regular customers appreciate good lighting too.

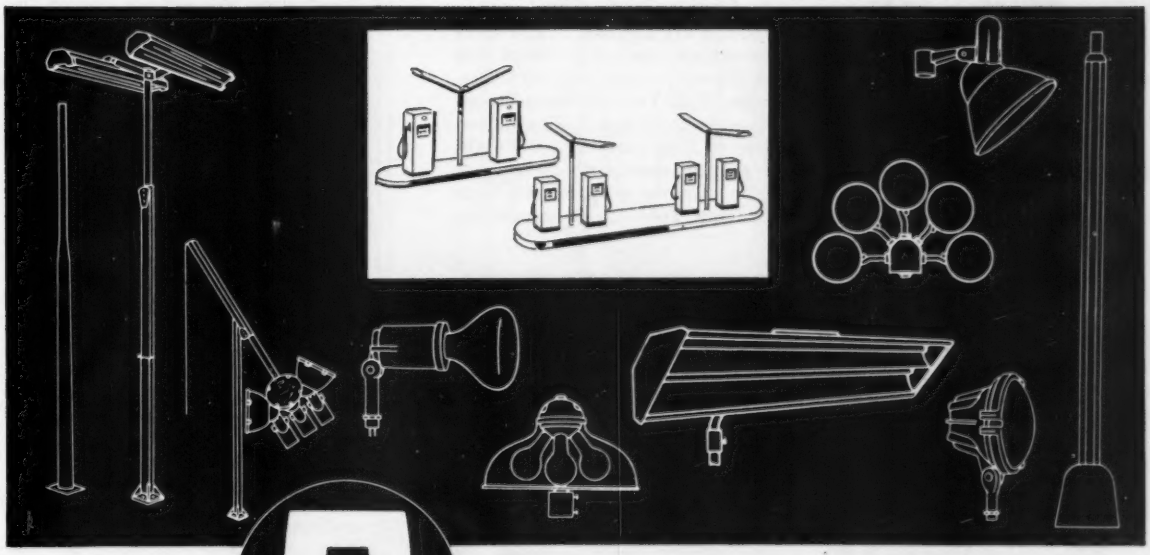
Justify and protect your company's huge expenditures in Modern Station Design, Top Quality Products and millions of dollars in consumer advertising by making every lighting dollar bring in maximum returns.

Hitch your High Octanes to Petelco's High Lumen Lighting
—you'll get a larger share of 1959 sales . . . and remember, you can't "ring-up" sales until you bring-in customers. Petelco engineered lighting is designed to attract customers at the lowest initial and operating cost.

Petelco Silhouette Skyliner
Low cost, contemporary design T type light with improved lighting characteristics.

Your Petelco Lighting Specialist will be glad to work with you— no obligation.

Write today for complete catalog.



PETELCO INC.

2640-B ROOSEVELT ROAD • BROADVIEW, ILLINOIS

About Oil People

Socony Mobil: More Changes in the Field

TEN district sales managers have been appointed in another phase of Socony's recent reorganization along class-of-customers lines.

The new district sales managers fill vacancies created by the advancement of former managers to new posts as resale sales managers and commercial sales managers (NPN—Oct. '58, p211):

Francis J. Breen, Queens district, New York, N. Y., formerly division marketing assistant, Chicago.

Robert J. Bruce, Green Bay, Wis., from assistant district manager there.

Tom R. Culley, Pittsburgh, from district marketing assistant there.

Gerald J. Griff, Worcester, Mass., formerly district marketing assistant, Manchester, N. H.

William B. Hopkins, Southeastern district at Baltimore, formerly general manager, Independent Oil Co., Altoona, Pa. (a Socony affiliate).

Richard A. Jensen, Mankato, Minn., from sales supervisor, St. Paul.

Morton F. Jones, Jr., Rochester, N. Y., former division marketing assistant, Philadelphia.

John R. Moreland, Madison, Wis., former assistant district manager, Indianapolis.

George W. Otis, Detroit, former assistant district manager there.

Thomas L. Watkins, Jr., New Haven, Conn., formerly district marketing assistant, Utica, N. Y.

Leonard S. Marshman has been named manager of the wholesale planning department as part of Socony Mobil Oil Co.'s continuing reorganization of its marketing department. Formerly manager of the fuel oil division, a post now discontinued, Marshman still takes care of fuel oil sales but in a staff rather than line position.

Another reorganization step makes **Robert F. Neal,** formerly administrative manager of the Chicago division, manager of the liquefied petroleum gas department. It's a separate sales organization with salesmen reporting directly to him instead of to division managers.

Socony also announces that **Vincent F. Saitta** is new district manager in Nebraska. Former assistant manager of the gasoline and solvents division, he returned to his native Nebraska three months early as special assistant to **John K. Durfee,** retiring district manager. Durfee started 40 years ago with the L. V. Nicholas Oil Co. and stayed on after its purchase by White Eagle Oil & Refining, subsequently part of Socony.

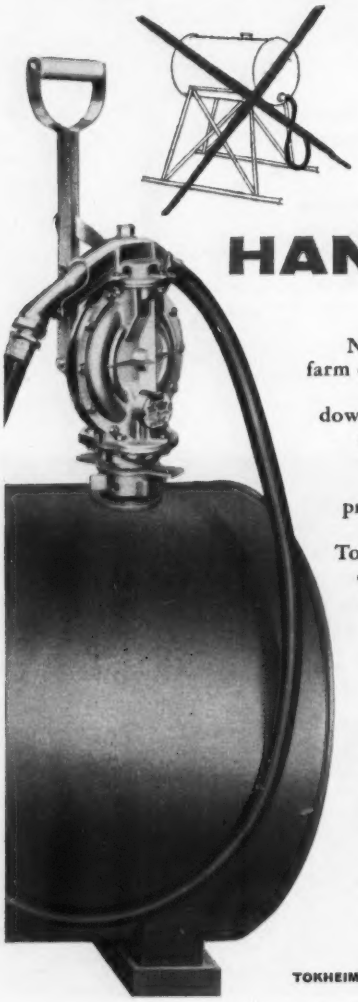
Also retired is **Ray R. Wible,** in charge of national accounts in the Midwest. With Socony for 37 years, he accepted early retirement to devote himself to his personal interests and his duties as assistant to the president of Franklin Supply Co., petroleum equipment distributors.

Another change: **Wilfred M. Kluss,** formerly senior area executive in the department of Middle Eastern affairs, becomes assistant to the general manager of marine transportation.

•

Chester Bieschke, president of Petroleum Heat and Power Co., is the new president of the Burning Oil Distributors Assn. of Chicago. Also elected for 1959 terms were: **Harry Baldwin,** president of Arrow Petroleum, vice president; **Henry Curran,** Suburban Oil Co., secretary, and **Harry Flanzer,** National Fuel Co., treasurer. Julius Loeffler, past president, and Gamble North, J. W. Petersen Co., were elected directors.

Modern farming calls for modern fuel handling — AND IT COSTS NO MORE!



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TOKHEIM HAND PUMPS

Now it costs no more to equip your farm customers *right*—with pumps. And the advantages are many. You cut down driver's service time . . . build up customer loyalty. Modern methods mark you as modern, too! Farmer reduces fire hazards . . . and saves precious time, since mobility of skid tank permits refueling anywhere. Tokheim High-Vacuum Hand Pumps deliver up to 20 g.p.m. Continuous delivery. Low cost; ruggedly built; require minimum maintenance. Get the *complete* facts from your Tokheim representative.

LOADED WITH MODERN FEATURES!

• Faster, easier installation with bung adapter that swivels • Flexible diaphragm of tough, molded synthetic material • No piston to leak, stick, freeze or jam • Stainless steel shaft, valves, springs • Die-cast aluminum alloy housing — corrosion-resistant in and out • Sliding suction tube adjusts itself to tank depth

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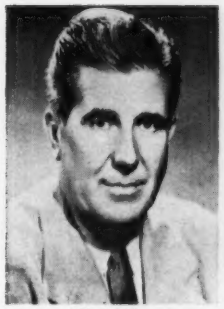
QUALITY TOKHEIM High-Vacuum HAND PUMPS


Coughlin

Reilly

O'Day

Pierce

Rollins

Amoco Realigns Its Sales Staff

C. H. Coughlin is new general manager of sales for the American Oil Co., succeeding **J. N. Carney** who retired after 34 years with the company. Coughlin moves to New York from Milwaukee where he has been northern sales region manager for the parent Standard Oil Co. (Indiana) since 1954. Before that he was manager at Peoria, Ill., for two years.

Amoco also announces a new organizational structure separating sales from operating and administrative functions. Administrative work now performed in division offices will be concentrated in four regional offices. Sales functions of the present 16 divisions will be taken over by 25 newly created district offices. Formerly Amoco's six regional offices operated with small staffs and were largely supervisory. Now four offices are responsible for administration, operations, credit, staff work, accounting, reporting and clerical functions.

R. W. Reilly, now northern regional manager, becomes New York regional manager covering New York, New Jersey and New England.

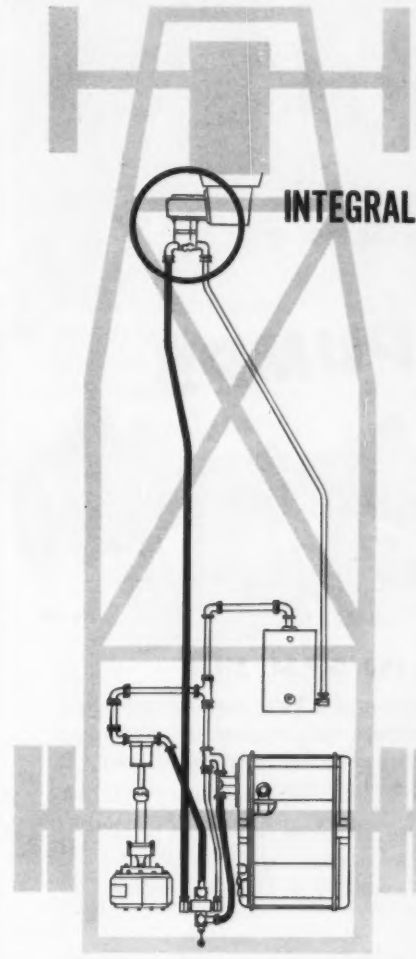
W. A. O'Day, now south-central regional manager, takes over at Baltimore, covering Pennsylvania, Maryland, Delaware, northern West Virginia, Ohio and the District of Columbia.

I. F. Pierce, now north-central regional manager at Philadelphia, goes to Atlanta in charge of Virginia, southern West Virginia, North and South Carolina, Georgia and most of Florida.

J. C. Rollins, now regional manager for the Pan-Am eastern region at Nashville, moves to New Orleans. The region covers Kentucky, Tennessee, Arkansas, Mississippi, Alabama, western Florida, Louisiana and the Houston-Galveston section of Texas.

Guy D. Carroll, manager of sales promotion and sales training for Standard Oil Co. (Indiana), was named northern sales region manager, headquartered at Milwaukee. He succeeds **C. H. Coughlin,** now general manager of sales for American Oil Co., an affiliate (see above).

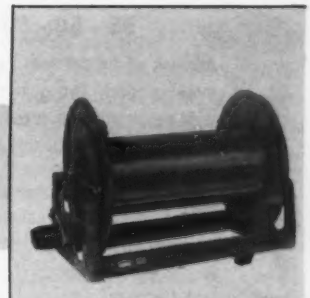
Amos K. Smith, formerly marketing manager for the northern sales region,



NOW FROM HANNAY

INTEGRAL HYDRAULIC PTO

The integral power take-off and hydraulic pump from HANNAY eliminate mounting saddle, jack shaft and universal joints.
For efficiency, economy and flexibility in hydraulic fuel delivery, *SPECIFY* hose reels and hydraulic components by HANNAY . . . first choice among progressive fuel oil dealers.



Hose Reels by HANNAY

See your Oil Equipment Jobber or write to Hannay for complete hydraulic delivery information.

CLIFFORD B. HANNAY & SON, INC., WESTERLO, NEW YORK

succeeds Carroll. **Lawrence B. Kelly,** operations manager for the region, succeeds Smith.

Indiana also announces that **Sam L. Jackson** was named manager of operations in the supply and transportation department. He succeeds **Richard E. Nelson, Jr.,** recently named president of the newly organized Amoco Trading Corp. **Creed F. Gearhart** succeeds Jackson as transportation manager, and **Lyle W. Ewing, Jr.,** succeeds Gearhart as chief engineer.

Clare R. Wolf, marketing manager for the southeastern sales region at Indianapolis, was named manager of the reseller research task group in the general office sales department.

John M. Gower, manager of lubricating bulk sales since 1949, has retired after 29 years with the company.

•

Thomas M. McQuilling was named general manager of the marine department of American Oil Co. Formerly manager of the marine department of Hess, Inc., he succeeds **Verne N. Drew,** retired.

Neal

Durham

Thomas F. Neal was named assistant manager of Sun Oil Co.'s Middle Atlantic district, headquartered at Philadelphia. Formerly district manager at Chicago, he is succeeded by **David H. Durham,** previously manager of retail sales for the central sales region at Pittsburgh. Neal succeeds **John K. McKee,** appointed manager of the Ohio Valley sales region several months ago.

•

Atkinson

Neff

Robert G. Atkinson, general manager of retail marketing at Clark Oil & Refining Corp., was elected vice president and general manager of marketing. **Charles W. Neff,** general manager of wholesale marketing, was elected vice president, refinery sales.

•

Johnny Ferraro, a contractor sales representative in The Texas Co.'s New York sales division, is still reaping honors for sportsmanship and athletic ability. Well known in the '30s in both collegiate and pro football and basketball, Ferraro was nominated by his alma mater, Cornell, for a Silver Anniversary All-America achievement award from *Sports Illustrated* (stiff competition nosed him out).

•

Benjamin G. Symon, general sales manager of International Lubricant Corp., New Orleans, has been named vice president. He was manager of industrial products for the parent Shell Oil Co. from 1955 to last fall when he moved to International.

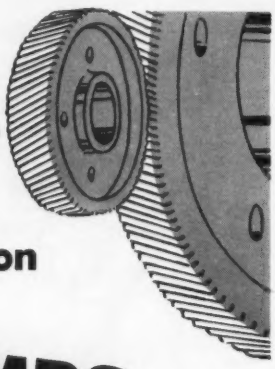
•

Gen. James H. Doolittle retired as a vice president of Shell Oil Co. but continues as a director. He joined Shell in 1930, when he left active duty with the U.S. Army Air Corps, to become manager of the aviation department. Upon retirement from Shell, Doolittle became board chairman of Space Technology Laboratories, Inglewood, Calif.

NEW! HELICAL

Gear Reductions on

VIKING PUMPS



(Fig. 288)

35 - 50 - 90 - 150 G.P.M. Sizes

Addition of helical gear reductions make Viking heavy-duty pumps more compact. Five gear reductions, easily interchanged, permit a wide range of pump speeds for handling thick or thin liquids. Gears run in a bath of oil, making quiet operation.

These new pumping units are oil and weather tight, suitable for outdoor or indoor use. Reducers are mounted separately, not supported on pump or motor shaft. Units are mounted on a completely enclosed, formed steel base.

If you're looking for a rugged work-horse kind of pump that is narrow and low and will fit into small space, these Viking heavy-duty units will interest you.

For full information, write for bulletin SP-488R

VIKING PUMP COMPANY

Cedar Falls, Iowa, U.S.A. In Canada, it's "ROTO-KING" pumps

Offices and Distributors in Principal Cities. See Your Classified Telephone Directory.

Emerson: Oil in his genes

HEREDITY must have had something to do with the case of **E. Waldo Emerson,** who just retired as general manager of Gulf Oil Corp.'s New York sales division. Each of his grandfathers founded an oil company. He himself was born in Titusville, Pa., birthplace of the oil industry.

Emerson's maternal grandfather, R. D. Benson, was founder and first president of Tidewater Oil Co. His paternal grandfather, E. O. Emerson, was a co-founder of the Sun Oil Co. with Joseph N. Pew.

Another ancestor, Ralph Waldo, may have been responsible for E. Waldo's brief venture into the literary field as a New York Times reporter, after his graduation from Yale in 1916 and before service in the Army during World War I. But oil won out, and Emerson joined Tidewater as advertising manager when he was discharged.

Emerson became Chicago division manager for Tidewater, and later served in a similar capacity for the old Vacuum Oil Co. and the W. H. Barber Co. before he joined Gulf in 1934. He's been general manager of the growing New York division since then, except for a two-year stint as a lieutenant colonel in the U. S. Army Ordnance Dept. during World War II.

Emerson lives in New York City and has a farm in Washington, Conn.

W. D. Nelson, formerly general manager of Gulf Oil Corp.'s Philadelphia division, becomes New York division general manager, succeeding **E. W. Emerson,** retired (see above). **J. B. Kelley,** former division manager, retail and jobbers sales, at Philadelphia, succeeds Nelson. **B. R. Lawlor,** New York division manager, supply and operations, succeeds Kelley.

H. A. Goddard, division manager, direct sales, Boston division, transfers to Philadelphia in the same capacity, succeeding **F. J. Hamilton,** who will become a consultant there prior to retiring in a few months. **F. A. Millard,** presently administrative assistant in the Boston division, succeeds Goddard.

•

W. R. Patterson, district manager for Gulf Oil Corp. in Lexington, was elected president of the Blue Grass Oil-

Richfield Salutes National Petroleum News on their 50th Anniversary and wishes them a bright future

Bright Outlook: Morris Baldinger, head of Supreme Petroleum Co. of New Jersey, Inc., Somerville, N. J., and his son, Paul, view the future with confidence. Supreme is *another* success story of Independent Richfield Distributors.

"A Bright Future For My Son"

says Morris Baldinger,

25 years an Independent Richfield Distributor

"25 years as an Independent Richfield Distributor is a long time," says Morris Baldinger, "but I wouldn't trade it for anything else! The business has been wonderful to me, and it offers my son, Paul, a bright future. That's why we're instituting a station modernization and building program. Paul had actually chosen medicine as a career, but after working for a while in the gas and oil business with me, he decided to stay in it and is taking over when I retire.

"Doing business with the Richfield people is a pleasure, too," continues Morris. "Richfield executives in all departments are warm, friendly, cooperative. And Richfield does not compete with its distributors — in fact, Richfield does everything possible to help you and to advertise the brand vigorously."

WOULDN'T YOU like to become an Independent Richfield Distributor and write your own success story? Then why don't you look into all the advantages of this big "name" brand. Write, wire or phone us *now!*

RICHFIELD OIL CORPORATION OF NEW YORK

708 THIRD AVENUE, NEW YORK 17, N. Y.

Serving The Eastern Seaboard from Maine to Florida

man's Club. Other officers are: **Al Block,** Power Oil Co., vice president; **J. L. Wiley,** Imperial Oil Co., secretary; and **Jack Sutherland,** Ashland Oil & Refining Co., treasurer.

•

C. F. Martineau was appointed special assistant to Shell Oil Co.'s general manager of the head office marketing department. **D. B. Clark,** sales manager of the Seattle division, succeeds Martineau as sales manager of the New York division. **J. G. Williams,** now district manager in Honolulu, succeeds Clark.

John B. Turner, vice president and manager of Orange State Oil Co., was one of 60 prominent Americans who made an extensive tour of Europe for Crusade for Freedom.

•

John Ainlay, head of API's central region of the Committee on Public Affairs, is a member of the special 16-man blue ribbon coroner's jury investigating one of the nation's worst school fires—the November blaze that destroyed Our Lady of Angels parochial school in Chicago, taking 93 lives.

Davis

Russum

M. G. Davis, former manager of marketing operations for Atlantic Refining Co., has been named to the new position of manager of the regional marketing department. **J. A. Russum,** operations manager for the Philadelphia and New Jersey region, moves up to succeed Davis.

Atlantic also announces that **W. S. Shockley,** manager of fuel oil sales since 1954, retired after 34 years of service. **E. D. Walter,** sales manager of the New York region, succeeds him, with **William J. McCambridge,** former Binghamton district manager, succeeding Walter.

R. M. Sloss becomes manager of retail marketing for the southern region while **J. B. Robinson** succeeds him as district manager at Harrisburg, Pa. Robinson, former manager of wholesale marketing for the western Pennsylvania region, is succeeded by **E. A. Allshouse.**

•

C. F. Battenfeld, president of the C. F. Battenfeld Oil Co., Detroit, reports his company has become part of the Cadillac Oil Co., also Detroit, with Battenfeld remaining as president.

•

W. J. Dumsday becomes director of direct sales for British American Oil Co. Formerly divisional manager for the Atlantic division, he succeeds **L. R. Woolsey** recently named general manager, marketing.

•

E. Duer Reeves was elected executive vice president of Esso Standard Oil Co. and a director and vice chairman of the executive committee. Formerly executive vice president of Esso Research and Engineering, he succeeds **William Naden** who became president of Esso Standard last August.

Thomas W. Moore, vice president of Esso Export, becomes a vice president and director of Esso Standard. He succeeds **Glenn W. Poorman,** now with Esso Export.

•

Joseph F. Adams, consultant for Gulf Oil Corp. since his retirement in 1950, died Dec. 16 at his home in Wilmington, N. C. He was 72.

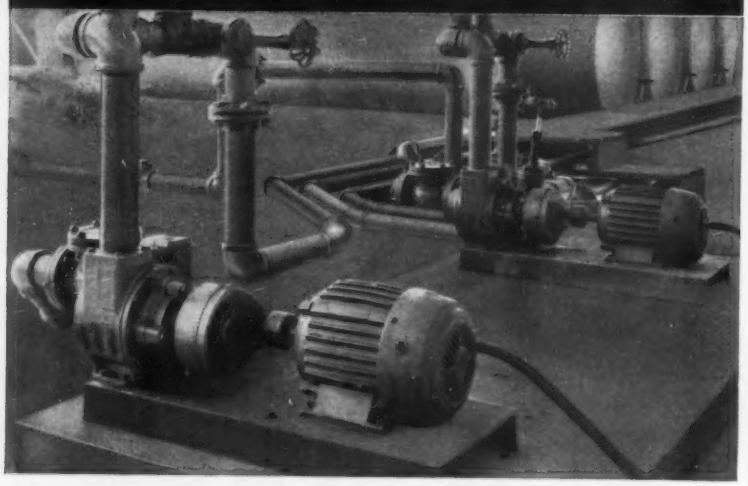
In 1934 Adams headed the Milwaukee, Wis., office of the former Barnsdall Oil Co., now part of D-X Sunray Oil Co. He was later made a vice president of Barnsdall.

•

Joseph H. Coon, 56, district sales manager in Buffalo, N. Y., for Sun Oil Co. for 24 years, died Dec. 6.

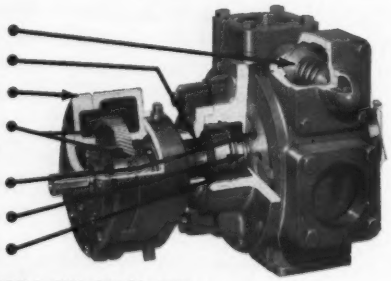
BLACKMER rotary bulk handling pumps

compact, efficient and self-priming



THESE BLACKMER CONSTRUCTION FEATURES ASSURE TOP PERFORMANCE AND LOW MAINTENANCE

Integral pressure control valve
Internal splined coupling
Integral gear head construction
Hardened steel helical gears
"Self-adjusting for wear" sliding vane design
Cartridge type seals
Heavy duty anti-friction bearings



Available in MODELS GX2, GX2½, GX3 and GX4. Delivery ratings – 35 to 525 GPM.

"liquid materials handling"® equipment

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INDUSTRIAL, HAND AND TRUCK PUMPS, STRAINERS, PRESSURE CONTROL VALVES

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the *Finest* in FLYING *Deserves*

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STANDARD OIL

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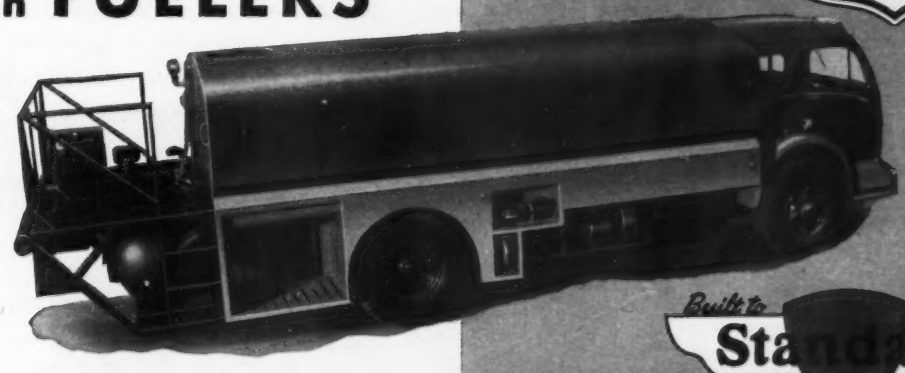
the *Finest* in FUELING

Jet aircraft are the finest in the skies today. To keep them there requires the very best in aircraft fueling service and refueling equipment.

At most of the nation's major air terminals you'll find Standard Steel Works name on the Refuelers used by these famous names in Fueling Service.

the *Finest* in FUELERS



Built to the Highest Standard

Standard Steel Works, Inc. • NORTH KANSAS CITY, MO. • ENGLEWOOD, N.J. • SPARTANSBURG, S.C.

Great teamwork! Managing the outdoor end of the business comes naturally to part-time farmer George Baker (left), while Al Russell, ex-high school teacher, does the paper work. They've been going strong since 1951.

Solar Heat Kindles Hot Partnership

"Service calls running scarcer than buffalo 'round here,"

say Baker and Russell, Shippensburg, Pa.

This 630-lb. brood sow is a resident of George Baker's 120-acre farm in the Cumberland valley. Plenty of room for 60 head of cattle, 45 hogs, a barnful of chickens, and a comfortable farm home. Baker is also an avid hunter.

"UNTIL RECENTLY, we'd been farming our burner service operation out to a local plumber. We just didn't want the headaches or the big expense of annoying middle-of-the-night service calls.

"Comes new Gulf Solar Heat and just like that the picture changes. Our plumber friend wants to know why he's making fewer service calls. He's amazed that a heating oil can burn so clean . . . keep burners running so smoothly.

"Soon we get the message: with new Gulf Solar Heat we can run *our own* service operation—*profitably!* And that's what we're doing right now, with a minimum of trouble.

"Our advice: connect with new Gulf Solar Heat . . . cut service calls way down . . . make a better buck."

For complete information phone your nearest Gulf office.

Go one better—Go Gulf

GULF
SOLAR HEAT
heating oil

Free time finds Al Russell working at his hobby—winter bouquet. He gets the colorful "dried weeds" from his own back yard and creates many interesting arrangements. He is an active Mason and church worker, too.

Coming Meetings

FEBRUARY

National Assn. of Oil Equipment Jobbers, management institute, University of Oklahoma, Norman, Feb. 4-6.

Missouri Petroleum Assn., annual convention and exhibit, Muehlebach Hotel, Kansas City, Feb. 9-11.

Intermountain Oil Jobbers Assn., Hotel Tropicana, Las Vegas, Feb. 12-13.

Packaging Institute, Petroleum Packaging Committee, Goodhue Hotel, Port Arthur, Texas, Feb. 16-17.

Iowa Independent Oil Jobbers Assn., annual meeting and trade show, Ft. Des Moines Hotel, Des Moines, Feb. 17-18.

Oklahoma Oil Jobbers Assn., management institute, Thru-University of Oklahoma, Hotel Lockett, Norman, Feb. 24-26.

Wisconsin Petroleum Assn., annual meeting and trade show, Hotel Schroeder, Milwaukee, Feb. 25-26.

API, Lubrication Committee, Sheraton-Cadillac Hotel, Detroit, Feb. 26-27.

MARCH

Iowa Independent Oil Jobbers Assn., management institute, Continuation Center, State University of Iowa, Iowa City, Mar. 9-11.

Illinois Petroleum Marketers Assn., 37th annual meeting and trade show, Hotel Morrison, Chicago, Mar. 10-11.

Missouri Petroleum Assn., management institute, University of Missouri, Columbia, Mar. 10-11.

Northwest Petroleum Assn., management institute, Oil Men's Club, Nicollet Hotel, Minneapolis, Mar. 15.

Society of Automotive Engineers, national passenger car, body and materials meeting, Sheraton-Cadillac Hotel, Detroit, Mar. 16-18.

Western Petroleum Refiners Assn., 47th annual meeting, Hilton Hotel, San Antonio, Mar. 16-18.

Kentucky Petroleum Marketers Assn., 4th management institute, Brown Hotel, with University College, University of Louisville, Louisville, Mar. 17-19.

Ohio Petroleum Marketers Assn., annual meeting and trade show. Deshler-Hilton Hotel, Columbus, Mar. 18-19.

Oklahoma Oil Jobbers Assn., annual spring convention and trade show, Hotel Biltmore, Oklahoma City, Mar. 18-19.

Texas Oil Jobbers Assn., annual convention, Hilton Hotel, San Antonio, Mar. 19-21.

Florida Petroleum Marketers Assn., annual spring meeting. Robert Meyer Hotel, Jacksonville, Mar. 20-21.

Oil Trades Assn. of New York, Waldorf-Astoria Hotel, New York City, Mar. 25.

APRIL

Michigan Petroleum Assn., semi-annual meeting and trade show, Hotel Pantlind, Grand Rapids, Apr. 2-3.

Empire State Petroleum Assn., annual meeting, Hotel Astor, New York City, Apr. 5-7.

Oil Industry TBA Group, western division, 8th annual meeting, Biltmore Hotel, Santa Barbara, Apr. 6-7.

North Carolina Oil Jobbers Assn., management institute, University of North Carolina, Chapel Hill, Apr. 12-17.

Independent Oil Men's Assn. of New England, annual meeting, Statler Hotel, Boston, Apr. 14.

National Petroleum Assn., semi-annual meeting, Hotel Cleveland, Cleveland, Apr. 15-17.

American Society of Lubrication Engineers, annual meeting and lubrication exhibit, Hotel Statler, Buffalo, Apr. 21-23.

Assn. of American Battery Manufacturers, semi-annual meeting, Hotel Americana, Bal Harbour, Miami Beach, Fla., Apr. 23-25.

Assn. of Eastern Petroleum Credit Managers, annual meeting, Statler-Hilton Hotel, Buffalo, Apr. 27-29.

Western Petroleum Refiners Assn., southwest regional-technical-industrial relations meeting, Hotel Paso DelNorte, El Paso, Apr. 29-30.

Oil-Heat Institute of America, 37th annual convention and management conferences, Olympic Hotel, Seattle, Apr. 28-May 2.

►**Oil-Heat Institute of New England,** annual meeting, Statler-Hilton Hotel, Boston, April 29.

MAY

Tennessee Oil Men's Assn., spring meeting, Andrew Johnson Hotel, Knoxville, May 3-5.

Independent Petroleum Assn. of America, semi-annual meeting, Westward Ho Hotel, Phoenix, May 3-5.

National Tank Truck Carriers, annual meeting, Shoreham Hotel, Washington, D. C., May 3-6.

Liquefied Petroleum Gas Assn., annual meeting and trade show, Conrad Hilton Hotel, Chicago, May 3-6.

API, Lubrication Committee, San Marcos Hotel, Chandler, Ariz., May 4-6.

Independent Oil Men's Assn., annual convention, Hotel Statler, Boston, May 5.

Indiana Independent Petroleum Assn., spring convention, Country Club, South Bend, May 5-6.

North Carolina Oil Jobbers Assn., annual spring convention, The Carolina Hotel, Pinehurst, May 10-13.

Pennsylvania Petroleum Assn., annual spring meeting, Hotel, Bedford Springs, Bedford, May 10-12.

Gasoline Pump Manufacturers Assn., annual meeting, The Greenbrier Hotel, White Sulphur Springs, W. Va., May 11-13.

Louisiana Oil Marketers Assn., annual meeting, Hotel Roosevelt, New Orleans, May 15-17.

Virginia Petroleum Jobbers Assn., annual meeting, John Marshall Hotel, Richmond, May 18-19.

National Oil Jobbers Council, mid-year meeting, Ft. Des Moines Hotel, Des Moines, May 24-27.

API, Marketing Division, mid-year meeting, Savery Hotel, Des Moines, May 27-29.

Fifth World Petroleum Congress and exposition, the Coliseum, New York City, May 31-June 6.

JUNE

Oil Trades Assn. of New York, Siwanoy Country Club, Bronxville, June 9.

Interstate Oil Compact Commission, Hotel Roosevelt, New Orleans, June 15-17.

Wisconsin Petroleum Assn., summer golf tournament, Dell View Hotel, Lake Delton, June 16.

American Society for Testing Materials, annual meeting, Chalfonte-Haddon Hall, Atlantic City, June 21-26.

Western Petroleum Refiners Assn., mid-continent regional-technical-industrial relations meeting, Broadview Hotel, Wichita, June 24-25.

SEPTEMBER

Oil Trades Assn. of New York, Westchester Country Club, Rye, Sept. 10.

Empire State Petroleum Assn., Saranac Inn, Saranac Lake, N. Y., Sept. 13-15.

Missouri Petroleum Assn., annual fall frolic, Columbia Country Club, Columbia, Sept. 14.

American Society of Lubrication Engineer and **American Society of Mechanical Engineers,** lubrication conference, Sheraton-McAlpin Hotel, New York City, Sept. 19-21.

Pennsylvania Petroleum Assn., Pocono Manor Inn, Pocono Manor, Sept. 20-21.

National Assn. of Oil Equipment Jobbers, Hotel Leamington, Minneapolis, Sept. 27-29.

American Petroleum Credit Assn., Hotel Radisson, Minneapolis, Sept. 27-30.

OCTOBER

►**California Natural Gasoline Assn.,** annual meeting, Huntington-Sheraton Hotel, Pasadena, Oct. 8-9.

►**API,** annual meeting, Chicago (hotel not available at publication), Oct. 9-11.

►**Fuel Merchants Assn. of New Jersey,** annual meeting, Haddon Hall, Atlantic City, Oct. 12-17.

►**West Virginia Petroleum Assn.,** annual meeting, Daniel Boone Hotel, Charleston, Oct. 14.

►**American Society of Lubrication Engineers** and **American Society of Mechanical Engineers,** joint lubrication conference, Sheraton-McAlpin Hotel, New York City, Oct. 19-21.

►**Nebraska Petroleum Marketers Assn.,** annual meeting and trade show, Paxton Hotel, Omaha, Oct. 20-21.

►**Independent Petroleum Assn. of America,** Statler-Hilton Hotel, Dallas, Oct. 25-27.

►**National Lubricating Grease Institute,** annual meeting, Hotel Roosevelt, New Orleans, Oct. 26-28.

►**Society of Automotive Engineers,** national transportation meeting, LaSalle Hotel, Chicago, Oct. 26-28.

►**Society of Automotive Engineers,** national fuels and lubricants meeting, LaSalle Hotel, Chicago, Oct. 28-30.

►**Assn. of American Battery Manufacturers,** Palmer House, Chicago, Oct. 29-31.

►First listing.

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P-9453 NATIONAL PETROLEUM NEWS
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ANHYDROUS AMMONIA PLANTS
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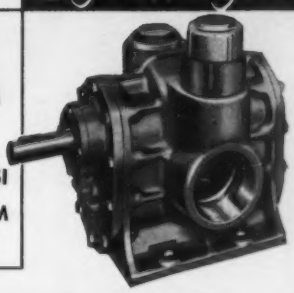

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B. F. Goodrich hose is flexible, easy to handle even in cold weather

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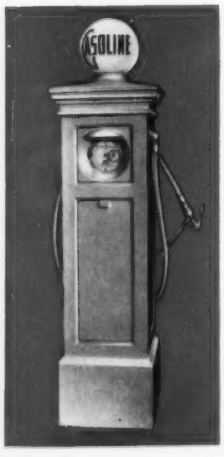

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